



We Keep Life Moving



SentryWest Insurance Services

www.sentrywest.com

3860 South 2300 East
Salt Lake City, UT, 84109

PO BOX 9289
Salt Lake City, UT, 84109

Thank you! We value the opportunity you have provided for SentryWest to serve your insurance needs. The following will be the team assigned to support your needs. Please contact us with any questions regarding your policy, changes in exposures, claims issues or any general questions.

Your SentryWest Service Team

Account Executive: Tiffanie Thompson tiffanie.thompson@sentrywest.com 801.308.2074

Account Manager: Sara Grygiel sara.grygiel@sentrywest.com 385.355.6245

Certificates of Insurance:

HOA Requests eo@sentrywest.com

Please include the name, address and e-mail or fax number to be used in providing the certificate. If the request is for an additional insured please include an explanation of the reason for coverage request.

All Other Certificate Requests

Please send to the above account manager(s)

Office Contact Information

Local 801.272.8468
Fax 801.277.3511



Disclaimers

- **Please review the policy.** It contains specific terms, conditions, limitations, and exclusions that will govern in the event of a loss.
- **All insurance policies contain exclusions and limitations.** Not all exclusions or limitations were addressed in our proposal, including those that may be covered by an endorsement. Policy language dictates coverage.
- **In evaluating your exposure to loss, we have been dependent upon information provided by you.** Representative examples include a completed application, list of drivers, statement of values, or an inspection of your operations.
- **If there is a change in your operations, please bring those to our attention.** We can then discuss the possible need for additional coverage. All premiums are subject to verification and re-rating based upon an audit of classification(s) and exposures. SentryWest does not make representations regarding the availability of coverage to cover any specific risk of loss in the broader insurance marketplace.
- **The liability or property limits shown on this proposal are per your request or per expiring policies.** *Higher liability or property limits may be available.* We are happy to provide a quotation for higher limits at your request.
- **Sentry West has agency agreements whereby we may receive additional compensation from insurers based on a combination of premium volume and claims experience.** Upon your written request, we will provide additional information regarding our agreements.
- **Premiums may be subject to audit and/or adjustment.** Portions of your premiums may be estimated amounts that are based on your anticipated exposures, such as payroll or sales. At the end of the policy term the insurance company may perform an audit of your records and you may receive an adjustment to the estimated premium that was originally billed. Refer to your policy for conditions.
- **Many policies are subject to a premium requirement.** Your policy may have a minimum earned/fully earned premium at the time the policy is bound. Please refer to the policy terms that apply.
- **Previously rejected coverage.** If we previously offered coverage options which have been rejected by you, we have no obligation to offer options for that coverage in the future unless you have specifically requested a quote for that specific coverage in writing.
- **SentryWest Insurance Services is not engaged in rendering legal, accounting, or other professional services.** If such advice or expert assistance is required, the services of a competent professional person should be sought, especially for contracts and risk transfer agreements.
- **The policy may be contingent upon certain underwriting items.** Additional information may be required by the company, including a satisfactory inspection of your premises. The insurance company may take additional action based on that additional information.

Recommendations

It is important that you advise us of any material changes in your operations. Any variation or subsequent change could lead to complications in the event of loss.

People purchase insurance to have reliable support in the event of a claim. Our team is dedicated to claim advocacy – helping clients navigate the sometimes-difficult insurance claim process. Should an after-hours emergency occur, you should call your insurance carriers claim department and report the incident to our staff the next business day.

Safety insights and innovation can help you avoid claims. Our services include:

- Access to Loss Prevention Specialists that can assist with your specific needs
- Customized Loss Prevention Plans
- Access to Loss Prevention training, materials, and tools

While we are a full-service agency, our Client Portal provides you many self-service options.

It includes:

- 24/7 access to your account
- Request a Certificate of Insurance
- Make a payment on your account
- Issue and reprint previously issued Certificates of Insurance
- View/Download copies of your policies

Exposure identification is the cornerstone of successful risk management program. At your request, we can audit your existing program to determine its suitability to your needs. Areas we review include:

- Adequacy of coverage and limits
- Highlight significant restrictions of coverage
- Duplications of or gaps in coverage
- Suitability of forms
- Financial stability and service capability of insurance carrier(s)

Our broad range of products and services can be customized to your individual needs. Our offerings include:

- Bonds / Surety
- Builders Risk / Installation Floater
- Captive Programs / Alternative Risk Transfer
- Crime
- Directors & Officers Liability
- Foreign Exposures (including Workers Compensation and Liability)
- Marine Coverage (ocean & inland)
- Pollution

We believe every business should have the following coverages in place. We are happy to provide a quote at your request.

- Property
- General Liability
- Auto
- Workers Compensation
- Cyber
- Employment Practices Liability
- Professional Liability / E&O
- Earthquake
- Flood
- Pollution



NATIONWIDE GENERAL INSURANCE COMPANY
(A STOCK COMPANY)
ONE WEST NATIONWIDE BLVD
COLUMBUS, OH 43215-2220
1-877 On Your Side
1 (877) 669-6877

RENEWAL

PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

COMMON DECLARATIONS

Policy Number: ACP BP013260135239
Named Insured: VAL D'SOL HOMEOWNERS ASSOCIATION
Mailing Address: PO BOX 826
KETCHUM, ID 83340-0781
Agency: SENTRY WEST - SALT LAKE
Address: PO BOX 9289
SALT LAKE CITY, UT 84109-6289
Agency Phone Number: (801) 272-8468
Producer: LAMOND WOODS
Policy Period: Effective From 02-09-2026 To
02-09-2027
12:01 AM Standard Time at your
principal place of business



Premiums/Fees

Total Annual Premium	\$28,598.00
Total Policy Premium	\$28,598.00

Form of your business entity: Association

IN RETURN FOR THE PAYMENT OF THE PREMIUM AND SUBJECT TO ALL THE TERMS OF THIS POLICY,
WE AGREE TO PROVIDE THE INSURANCE STATED IN THIS POLICY.

These Common Policy Declarations, together with the Common Policy Conditions, Coverage Form Declarations,
Coverage Forms and any endorsements issued to form a part thereof, complete the Policy numbered above.

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

COMMON DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

SCHEDULE OF NAMED INSUREDS

Named Insured:

VAL D'SOL HOMEOWNERS ASSOCIATION



Nationwide®

PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 001

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanket Limit	\$5,000	\$8,539,600
Replacement Cost		
Business Personal Property	\$5,000	\$12,200

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		2.9%
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

93766000172093



ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239 Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 001

Coverages	Deductible	Limit
Optional Coverages - Other frequently purchased coverage options		
Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 001

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 002

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000



Nationwide®

PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 002

Coverages	Deductible	Limit
Additional Coverages - The Coverage Form includes other Additional Coverages not shown		
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 002

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 003

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000

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ACP BP013260135239

UT 04450



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 003

Coverages	Deductible	Limit

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included

Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided

Ordinance Or Law Coverage

Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included

Demolition Cost And Broadened Increased Costs Of Construction		Not Provided

Ordinance Or Law Broadened Coverage		\$250,000

Habitational PLUS		Included

Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit

Accounts Receivable	\$25,000		\$25,000

Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000

Forgery Or Alteration	\$10,000		\$10,000

Money And Securities

Inside the Premises	\$10,000		\$10,000

Outside the Premises (Limited)	\$10,000		\$10,000

Outdoor Signs	\$2,500		\$2,500

Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000

Business Personal Property Off Premises

Property Away From Premises	\$15,000		\$15,000

Property Away From Premises - Transit	\$15,000		\$15,000



Nationwide®

PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 003

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239 Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 004

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 004

Coverages	Deductible	Limit
Additional Coverages - The Coverage Form includes other Additional Coverages not shown		
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 004

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 005

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed Replacement Cost	\$5,000	Included
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000

93766000172154



ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239 Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 005

Coverages	Deductible	Limit
Additional Coverages - The Coverage Form includes other Additional Coverages not shown		
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 005

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**

93766000172163



ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 006

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000



Nationwide®

PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 006

Coverages	Deductible	Limit

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 006

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 007

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239 Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 007

Coverages	Deductible	Limit
Additional Coverages - The Coverage Form includes other Additional Coverages not shown		
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 007

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 008

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 008

Coverages	Deductible	Limit

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included

Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided

Ordinance Or Law Coverage

Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included

Demolition Cost And Broadened Increased Costs Of Construction		Not Provided

Ordinance Or Law Broadened Coverage		\$250,000

Habitational PLUS		Included

Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit

Accounts Receivable	\$25,000		\$25,000

Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000

Forgery Or Alteration	\$10,000		\$10,000

Money And Securities

Inside the Premises	\$10,000		\$10,000

Outside the Premises (Limited)	\$10,000		\$10,000

Outdoor Signs	\$2,500		\$2,500

Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000

Business Personal Property Off Premises

Property Away From Premises	\$15,000		\$15,000

Property Away From Premises - Transit	\$15,000		\$15,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 008

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / **Building:** 009

Premises Address: 204 SUN VALLEY ROAD
SUN VALLEY, ID 83353

Classification: Condominium Association - Multiple
Buildings - 1-4 Unit Buildings (No
Mercantile or Office)

Construction Type: Frame

Occupancy Type: Building Owner - Lessors risk

WE PROVIDE INSURANCE ONLY FOR THOSE COVERAGES INDICATED BY A LIMIT OR BY "INCLUDED".
Property Coverage is subject to a **\$5,000 Deductible**, unless otherwise stated.

Coverages	Deductible	Limit
Building - Blanketed	\$5,000	Included
Replacement Cost		
Business Personal Property		Not Provided

Additional Coverages - The Coverage Form includes other Additional Coverages not shown

Business Income		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Ordinary Payroll		60 Days
Extended Period Of Indemnity		60 Days
Extra Expense		Included
Actual Loss Sustained		12 Months
Waiting Period		0 Hours
Equipment Breakdown	No Separate Deductible	Included
Building Automatic Increase Percentage		2%
Business Personal Property Automatic Increase Percentage		Not Provided
Back Up Of Sewer And Drain Water		
Per Building Limit		\$25,000
Back Up Aggregate Limit		\$100,000

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239 Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 009

Coverages	Deductible	Limit
Additional Coverages - The Coverage Form includes other Additional Coverages not shown		
Appurtenant Structures - 10% of Building Limit of Insurance - Maximum \$50,000 any one structure		Included
Increased Cost of Construction		See Endorsement

Optional Coverages - Other frequently purchased coverage options

Employee Dishonesty		Not Provided
Ordinance Or Law Coverage		
Loss To The Undamaged Portion Of The Building (Coverage Equal To Building Limit)		Included
Demolition Cost And Broadened Increased Costs Of Construction		Not Provided
Ordinance Or Law Broadened Coverage		\$250,000
Habitational PLUS		Included
Windstorm/Hail Deductible	No Separate Deductible	

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Accounts Receivable	\$25,000		\$25,000
Valuable Papers and Records (At the Described Premises)	\$25,000		\$25,000
Forgery Or Alteration	\$10,000		\$10,000
Money And Securities			
Inside the Premises	\$10,000		\$10,000
Outside the Premises (Limited)	\$10,000		\$10,000
Outdoor Signs	\$2,500		\$2,500
Outdoor Trees, Shrubs, Plants And Lawns	\$10,000		\$10,000
Business Personal Property Off Premises			
Property Away From Premises	\$15,000		\$15,000
Property Away From Premises - Transit	\$15,000		\$15,000



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

PROPERTY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Premises: 001 / Building: 009

Optional Increased Limits	Included Limit	Additional Limit	Total Limit
Electronic Data	\$10,000		\$10,000
Interruption Of Computer Operations	\$10,000		\$10,000
Computer Fraud And Funds Transfer	\$10,000		\$10,000
Business Personal Property Temporarily In Portable Storage Units	\$10,000		\$10,000

PROTECTIVE SAFEGUARDS

Based on information you and/or your agent provided, this premises has Protective Safeguards as identified below. A Protective Safeguards endorsement will be added to your policy based on this information, and you risk the loss of insurance if you fail to maintain, or knew or should have known of any suspension or impairment of any Protective Safeguard(s) identified below. Note that Protective Safeguard(s) must be: in place, operational, and maintained in good working order and you must notify us immediately (at Commercial Lines Service Center by calling (866) 322-3214) in the event of any known or planned disablement of any Protective Safeguard(s).

APPLICABLE PROTECTIVE SAFEGUARDS: **NOT APPLICABLE**

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

LIABILITY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Limits Of Insurance		Limit
Each Occurrence Limit of Insurance	Per Occurrence	\$1,000,000
Medical Payments Sub Limit	Per Person	\$5,000
Tenants Property Damage Legal Liability Sublimit	Per Covered Loss	\$300,000
Personal And Advertising Injury	Per Person Or Organization	\$1,000,000
Products-Completed Operations Aggregate Limit	All Occurrences	\$2,000,000
General Aggregate (Other Than Products-Completed Operations)	All Occurrences	\$2,000,000

Automatic Additional Insureds Status

The following persons or organizations are automatically insureds when you and they have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy.

Co-Owners of Insured Premises
Controlling Interest
Grantor of Franchise or License
Lessors of Leased Equipment
Managers or Lessors of Leased Premises
Mortgagee, Assignee or Receiver
Owners or Other Interest from Whom Land has been Leased
State or Political Subdivisions - Permits Relating to Premises

Liability Deductible	Deductible
None	

Optional Coverages	Deductible	Limit
Hired Auto Liability		Included
Non-Owned Auto Liability		Included



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

LIABILITY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Optional Coverages	Deductible	Limit
Cyber Coverage		
Data Compromise Response Expense		
Annual Aggregate Limit		\$50,000
Deductible Per Occurrence	\$1,000	
Forensic IT Sublimit		\$25,000
Legal Review Sublimit		\$25,000
Data Compromise Public Relations Sublimit		\$5,000
Regulatory Fines and Penalties Sublimit		\$25,000
PCI Fines and Penalties Sublimit		\$25,000
Computer Attack		
Annual Aggregate Limit		\$50,000
Deductible Per Occurrence	\$1,000	
Loss of Business Sublimit		\$25,000
Computer Attack Public Relations Sublimit		\$5,000
Extortion Sublimit		\$10,000
Misdirected Payment Fraud Sublimit		\$10,000
Computer Fraud Sublimit		\$10,000

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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

LIABILITY DECLARATIONS

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

Optional Coverages	Deductible	Limit
Data Compromise		
Data Compromise Liability & Defense Expense		\$50,000
Deductible Per Occurrence	\$1,000	
Network Security		
Network Security Liability & Defense Expense		\$50,000
Deductible Per Occurrence	\$1,000	
Electronic Media		
Electronic Media Liability & Defense Expense		\$50,000
Deductible Per Occurrence	\$1,000	
Identity Recovery		
Annual Aggregate Limit		\$25,000
Deductible Per Occurrence	None	
Lost Wages and Child and Elder Care Expenses		\$5,000
Mental Health Counseling		\$1,000
Miscellaneous Unnamed Costs		\$1,000



PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

FORMS AND ENDORSEMENTS SUMMARY

Form Number	Title
PBDS01 01 18	Premier Businessowners Declarations
PB81S1 01 17	Premier Businessowners Policy - Statement Of Values
PB0002 06 24	Premier Businessowners Property Coverage Form
PB0006 06 24	Premier Businessowners Liability Coverages Form
PB0009 06 24	Premier Businessowners Common Policy Conditions
PB0008 06 24	Nuclear Energy Exclusion
PB0404 01 01	Hired Auto And Non-Owned Auto Liability
PB0412 01 01	Limitation Of Coverage To Designated Premises
PB0448 11 14	Additional Insured - Designated Person Or Organization
PB0523 07 15	Cap on Losses from Certified Acts of Terrorism
PB0564 01 20	Conditional Exclusion of Terrorism (Relating to Disposition of Federal Terrorism Risk Insurance Act)
PB1478 01 17	Exclusion of Loss Due to By-Products of Production or Processing Operations (Rental Properties)
PB1531 12 24	Cannabis Property Exclusion With Hemp Exception
PB1533 12 24	Cannabis Liability Exclusion With Hemp Exception
PB1560 06 24	Cyber Incident Property Exclusion
PB1701 11 14	Condominium Association Coverage
PB1803 06 24	Cyber Incident Liability Exclusion
PB1804 12 23	Exclusion - Violation of Law Addressing Data Privacy
PB2003 01 17	Habitational PLUS Endorsement
PB3701 06 24	Ordinance or Law Broadened Endorsement
PB9011 12 22	Idaho Amendatory Endorsement
PB9074 04 22	Cyber Suite Coverage Endorsement
PB9083 06 21	Named Insureds Endorsement
PB9091 09 22	Disclosure Pursuant To Terrorism Risk Insurance Act
PB9101 09 23	PFC/PFAS Exclusion

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ACP BP013260135239

UT 04450



PREMIER BUSINESSOWNERS POLICY
HABITATIONAL

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

FORMS AND ENDORSEMENTS SUMMARY

Form Number	Title
PB9104 09 23	Exclusion - Communicable Disease Classified As An Epidemic, Pandemic, or Public Health Emergency

IMPORTANT NOTICES

Form Number	Title
NI0062 01 21	Notice of Terrorism Insurance Coverage
NI0018 01 17	Flood Insurance Notice
NI9009 01 17	Information for Insureds Who Have Tenants
NI0004 01 17	Important Notice for Renewal Policies
NI0035 01 17	Data Breach & Identity Recovery Services
NI0075 01 17	Consumer Report Inquiry Notice

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its Secretary and President.

Secretary

President



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PREMIER BUSINESSOWNERS POLICY

HABITATIONAL

STATEMENT OF VALUES

Policy Number: ACP BP013260135239

Policy Period: From 02-09-2026 To 02-09-2027

The values shown on this Statement of Values reflect the values you have requested or agreed to for each individual item that was included in the Blanket Limit of Insurance shown in the Declarations of your policy.

By your acceptance of this policy in the payment of the premium due, you are acknowledging that the values shown below are correct to the best of your knowledge and belief.

Premises/ Building	Description/ Coverage Type	Value	Valuation of Property
001/001	Building	\$918,900	Replacement Cost
001/002	Building	\$1,007,900	Replacement Cost
001/003	Building	\$1,007,900	Replacement Cost
001/004	Building	\$1,007,900	Replacement Cost
001/005	Building	\$1,007,900	Replacement Cost
001/006	Building	\$1,007,900	Replacement Cost
001/007	Building	\$1,007,900	Replacement Cost
001/008	Building	\$565,400	Replacement Cost
001/009	Building	\$1,007,900	Replacement Cost

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ACP BP013260135239

UT 04450

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

A. The following is added to Section II. WHO IS AN INSURED:

Any person or organization shown in the Schedule of this endorsement is also an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations or in connection with your premises owned by or rented to you.

HOWEVER:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III. LIMITS OF INSURANCE AND DEDUCTIBLE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits Of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

C. This insurance, including any duty we have to defend "suits", does not apply to:

1. "Bodily injury" or "property damage" that arises out of, in whole or in part, or is a result of, in whole or in part, the active negligence of the additional insured shown in the Schedule of this endorsement.
2. "Personal and advertising injury" that arises out of any independent "personal and advertising injury" offense committed by the additional insured shown in the Schedule of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

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ACP BP013260135239

UT 04450

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

A. The following is added to Section II. WHO IS AN INSURED:

Any person or organization shown in the Schedule of this endorsement is also an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations or in connection with your premises owned by or rented to you.

HOWEVER:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III. LIMITS OF INSURANCE AND DEDUCTIBLE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits Of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

C. This insurance, including any duty we have to defend "suits", does not apply to:

1. "Bodily injury" or "property damage" that arises out of, in whole or in part, or is a result of, in whole or in part, the active negligence of the additional insured shown in the Schedule of this endorsement.
2. "Personal and advertising injury" that arises out of any independent "personal and advertising injury" offense committed by the additional insured shown in the Schedule of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ADDITIONAL INSURED – DESIGNATED PERSON OR ORGANIZATION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

A. The following is added to Section II. WHO IS AN INSURED:

Any person or organization shown in the Schedule of this endorsement is also an insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your acts or omissions or the acts or omissions of those acting on your behalf in the performance of your ongoing operations or in connection with your premises owned by or rented to you.

HOWEVER:

1. The insurance afforded to such additional insured only applies to the extent permitted by law; and
2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III. LIMITS OF INSURANCE AND DEDUCTIBLE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits Of Insurance shown in the Declarations; whichever is less.

This endorsement shall not increase the applicable Limits Of Insurance shown in the Declarations.

C. This insurance, including any duty we have to defend "suits", does not apply to:

1. "Bodily injury" or "property damage" that arises out of, in whole or in part, or is a result of, in whole or in part, the active negligence of the additional insured shown in the Schedule of this endorsement.
2. "Personal and advertising injury" that arises out of any independent "personal and advertising injury" offense committed by the additional insured shown in the Schedule of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

61272100099266



ACP BP013260135239

UT 04450

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Name Of Person Or Organization:

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PO BOX 416
SUN VALLEY, ID 83353**

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2. If coverage provided to the additional insured is required by a contract or agreement, the insurance afforded to such additional insured will not be broader than that which you are required by the contract or agreement to provide for such additional insured.

B. With respect to the insurance afforded to these additional insureds, the following is added to Section III. LIMITS OF INSURANCE AND DEDUCTIBLE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

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All terms and conditions of this policy apply unless modified by this endorsement.

SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

88272100099266



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UT 04450

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PO BOX 416
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B. With respect to the insurance afforded to these additional insureds, the following is added to Section III. LIMITS OF INSURANCE AND DEDUCTIBLE:

If coverage provided to the additional insured is required by a contract or agreement, the most we will pay on behalf of the additional insured is the amount of insurance:

1. Required by the contract or agreement; or
2. Available under the applicable Limits Of Insurance shown in the Declarations; whichever is less.

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SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

6272100099266



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SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

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2. "Personal and advertising injury" that arises out of any independent "personal and advertising injury" offense committed by the additional insured shown in the Schedule of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

SCHEDULE

Name Of Person Or Organization:

**CITY OF SUN VALLEY
PO BOX 416
SUN VALLEY, ID 83353**

90321000992306



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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

PFC/PFAS EXCLUSION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

- A.** The following exclusion is added to Paragraph 2. **EXCLUSIONS** of **Section I. – COVERAGES, A. COVERAGE A.– BODILY INJURY AND PROPERTY DAMAGE LIABILITY:**

2. EXCLUSIONS

This insurance does not apply to:

“PFC/PFAS”

- a. “Bodily injury” or “property damage” which would not have occurred, in whole or in part, but for the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of, any “PFC/PFAS”; or
- b. Any loss, cost or expense arising out of, in whole or in part, the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, “PFC/PFAS”, by any insured or by any other person or entity.

This exclusion applies regardless of whether any other cause, event, material, substance, good or product contributed concurrently or in any sequence to such injury or damage. This exclusion also applies regardless of whether any “PFC/PFAS” is contained, used, included, involved or incorporated intentionally, accidentally or unknowingly in or on a good or product, component part of a good or product, or otherwise by any insured or by any other person or entity. This exclusion applies regardless of whether the inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of any “PFC/PFAS” occurs within or outside any building or other structure.

- B.** The following exclusion is added to Paragraph 2. **EXCLUSIONS** of **Section I. – COVERAGES, B. COVERAGE B.– PERSONAL AND ADVERTISING INJURY LIABILITY:**

2. EXCLUSIONS

This insurance does not apply to:

“PFC/PFAS”

- a. “Personal and advertising injury” which would not have occurred, in whole or in part, but for the actual, alleged, threatened, suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of, any “PFC/PFAS”; or
- b. Any loss, cost or expense arising out of, in whole or in part, the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, “PFC/PFAS”, by any insured or by any other person or entity.

This exclusion applies regardless of whether any other cause, event, material, substance, good or product contributed concurrently or in any sequence to such injury or damage. This exclusion also applies regardless of whether any “PFC/PFAS” is contained, used, included, involved or incorporated intentionally, accidentally or unknowingly in or on a good or product, component part of a good or product, or otherwise by any insured or by any other person or entity. This exclusion applies regardless of whether the inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of any “PFC/PFAS” occurs within or outside any building or other structure.

- C.** The following definition is added to Section V. **DEFINITIONS:**

“PFC/PFAS” means:

- a. Any fluorosurfactant, perfluorinated chemical or compound, or perfluoroalkyl or polyfluoroalkyl substance, including but not limited to any per- or polyfluorinated acid (including, without limitation, perfluorooctanoic acid (PFOA), perfluorooctanesulfonic acid (PFOS), and per- and polyfluorether carboxylic acids), per- or polyfluorinated sulfonamide, per- or polyfluorinated iodide, per- or polyfluorinated aldehyde, per- or polyfluorinated sulfonyl fluoride, per- or polyfluorinated fluorotelomer substance or per- or polyfluorinated sulfonamido substance; or
- b. any perfluoroalkane or polyfluoroalkane

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substance, including but not limited to carbon tetrafluoride, perfluorooctane, and perfluoro-2-methylpentane; or

- c. any fluorinated polymers, including but not limited to fluoropolymers, perfluoropolyethers and side-chain-fluorinated polymers; or

any of the associated homologues, isomers, salts, esters, alcohols, acids, precursor chemicals and derivatives, and related degradation or by-products of any such constituent.

The addition of this endorsement does not imply that other policy provisions, including but not limited to any pollution exclusion, do not exclude coverage for PFC/PFAS-related injury, damage, loss, cost or expense.

ALL OTHER CONDITIONS AND PROVISIONS OF THE POLICY REMAIN UNCHANGED BY THIS ENDORSEMENT

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

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PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

Various provisions in this policy restrict coverage. Please read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insureds shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance. Other words and phrases that appear in quotation marks have special meaning. Please refer to Section H. PROPERTY DEFINITIONS.

A. COVERAGES

We will pay for direct physical loss of or damage to Covered Property at the described premises in the Declarations caused by or resulting from any Covered Cause of Loss.

1. COVERED PROPERTY

Covered Property includes Buildings as described under paragraph a. below, Business Personal Property as described under paragraph b. below, or both, depending on whether a Limit of Insurance is shown in the Declarations for that type of property. Regardless of whether coverage is shown in the Declarations for Buildings, Business Personal Property, or both, there is no coverage for property described under paragraph 2. PROPERTY NOT COVERED.

- a. **Buildings**, meaning the described buildings and structures at the described premises, including:
 - (1) Completed additions;
 - (2) Fixtures, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery;
 - (b) Equipment; and
 - (c) Tanks, including pumps;
 - (4) Your personal property in apartments, rooms or common areas furnished by you as landlord;
 - (5) Personal property owned by you that is used to maintain or service buildings or structures or the premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings;
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering; and
 - (e) Outdoor antennas (including dish-shaped antennas) and their lead-in wiring, mast and towers;

- (6) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the buildings or structures;
 - (b) Materials, equipment, supplies and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the buildings or structures; and
 - (c) Antennas (including dish-shaped antennas) and their lead-in wiring, masts, or towers not attached to the buildings.
- (7) Garages, storage buildings, spas, swimming pools, fences, retaining walls, paved surfaces or other appurtenant structures usual to your business, but only if:
 - (a) Coverage is not provided for such structures under the Appurtenant Structures Additional Coverage; and
 - (b) Such structures are then described in the Declarations.
- b. **Business Personal Property** located in or on the buildings or structures at the described premises or in the open (or in a vehicle) within 1,000 feet of the building or structures or within 1,000 feet of the premises described in the Declarations, whichever distance is greater, consisting of the following:
 - (1) Personal property you own that is used in your business, including but not limited to furniture, fixtures, machinery, equipment and "stock";
 - (2) Personal property of others that is in your care, custody or control, except as otherwise provided in Condition 5. Loss Payment under Section E. PROPERTY LOSS CONDITIONS;
 - (3) Tenant improvements and betterments. Improvements and betterments are fixtures, alterations, installations or additions:
 - (a) Made a part of the building or structure you occupy but do not own; and

(b) You acquired or made at your expense but cannot legally remove; and

- (4) Leased personal property which you have a contractual responsibility to insure, unless otherwise provided for under paragraph 1.b.(2) personal property of others above.
- (5) Exterior building glass, if you are a tenant and no Limit of Insurance is shown in the Declarations for Building property. The glass must be owned by you or in your care, custody or control and you must be contractually obligated to repair or replace it. We will also pay for necessary repair or replacement of encasing frames, lettering or ornamentation that is part of the exterior glass.

Regardless of the amount of the Deductible, the most we will deduct from any loss or damage to exterior building glass in any one occurrence is listed in paragraph D.2.

DEDUCTIBLES.

- (6) "Stock".

2. PROPERTY NOT COVERED

Covered Property does not include:

- a. Aircraft, automobiles, motortrucks and other vehicles subject to motor vehicle registration;
- b. "Money" or "securities" except as provided in:
 - (1) Money and Securities Additional Coverage;
 - (2) Computer Fraud And Funds Transfer Fraud Additional Coverage; or
 - (3) Employee Dishonesty under Section G. OPTIONAL COVERAGES;
- c. Contraband, or property in the course of illegal transportation or trade;
- d. Land (including land on which the property is located), water (including water that is natural, metered water that is purchased from a utility company or other supplier, water that is located within a swimming pool, and/or bulk containerized water which is utilized for a fire suppression system. This does not include containerized water that is stock), growing crops or lawns (other than lawns which are part of a vegetated roof);
- e. Outdoor signs (other than signs attached to buildings), trees, shrubs, plants or lawns (other than "stock" of trees, shrubs

or plants and trees, shrubs or plants which are part of a vegetated roof), all except as provided in the:

- (1) Outdoor Signs Coverage Extension; or
 - (2) Outdoor Trees, Shrubs, Plants and Lawns Coverage Extension.
- f. Watercraft (including motors, equipment and accessories) while afloat;
 - g. Gasoline or diesel fuel contained in above ground or underground storage tanks;
 - h. Property that is covered under another coverage form of this or any other policy issued to the Named Insured listed on this policy in which it is more specifically described, except for the excess of the amount due (whether you can collect it or not) from that other insurance;
 - i. Grain, hay, straw or other crops while in the open;
 - j. Accounts, bills, food stamps, other evidences of debt, accounts receivable or "valuable papers and records"; except as otherwise provided in this policy;
 - k. "Computer(s)" which are permanently installed or designed to be permanently installed in any aircraft, watercraft, motortruck or other vehicle subject to motor vehicle registration. This paragraph does not apply to "computer(s)" while held as "stock";
 - l. "Electronic data", except as provided in the Electronic Data or Equipment Breakdown Additional Coverages. This paragraph l. does not apply to your "stock" of prepackaged software or to "electronic data" which is integrated in and operates or controls the building's elevator, lightning, heating, ventilation, air conditioning or security system.

3. COVERED CAUSES OF LOSS

This Coverage Form insures against direct physical loss unless the loss is:

- a. Excluded in Section B. EXCLUSIONS;
- b. Limited in paragraph A.4. LIMITATIONS in this section; or
- c. Limited or excluded in Section E. PROPERTY LOSS CONDITIONS or Section F. PROPERTY GENERAL CONDITIONS.

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4. LIMITATIONS

a. We will not pay for loss of or damage to:

- (1) Steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment. But we will pay for loss of or damage to such equipment caused by or resulting from an explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through with the gases of combustion pass.

This limitation does not apply to loss or damage provided under the Equipment Breakdown Additional Coverage.

- (2) Hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment, other than an explosion.

This limitation does not apply to loss or damage provided under the Equipment Breakdown Additional Coverage.

- (3) Property that is missing, where the only evidence of the loss or damage is a shortage disclosed on taking inventory, or other instances where there is no physical evidence to show what happened to the property. This limitation does not apply to Money and Securities Additional Coverage.

- (4) Property that has been transferred to a person or to a place outside the described premises on the basis of unauthorized instructions.

This limitation does not apply to loss or damage provided under the Unauthorized Business Card Use or Computer Fraud.

- (5) Fences, spas, outdoor swimming pools and related equipment, retaining walls, pavements, bulkheads, pillars, wharves or docks caused by freezing or thawing, impact of watercraft, or by the pressure or weight of snow, sleet, ice or water whether driven by wind or not.
- (6) The interior of any building or structure, or to personal property in the building or structure, caused by or resulting from rain, snow, sleet, ice,

sand or dust, whether driven by wind or not, unless:

- (a) The building or structure first sustains damage by a Covered Cause of Loss to its roof or walls through which the rain, snow, sleet, ice, sand or dust enters; or
- (b) The loss or damage is caused by or results from thawing of snow, sleet or ice on the building or structure.

b. We will not pay for loss of or damage to the following types of property unless caused by the "specified causes of loss" or building glass breakage:

- (1) Fragile articles such as glassware, statuary, marbles, chinaware and porcelains, if broken. This limitation does not apply to:

- (a) Glass that is part of the exterior or interior of a building or structure;
- (b) Containers of property held for sale; or
- (c) Photographic or scientific instrument lenses.

c. For loss or damage by theft, the following types of property are covered only up to the limits shown:

- (1) \$2,500 for furs, fur garments and garments trimmed with fur.
- (2) \$5,000 for jewelry, watches, watch movements, jewels, pearls, precious and semi-precious stones, bullion, gold, silver, platinum and other precious alloys or metals. This limit does not apply to jewelry and watches worth \$250 or less per item.
- (3) \$2,500 for patterns, dies, molds and forms.

5. ADDITIONAL COVERAGES

a. **Debris Removal**

- (1) We will pay your expense to remove debris of Covered Property and debris from the property of others when such debris is caused by or resulting from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.

- (2) The most we will pay under this Debris Removal Additional Coverage is 25% of the sum of the deductible plus the amount that we pay for direct physical loss or damage to the Covered Property that has sustained loss or damage.

This Debris Removal Additional Coverage will not increase the Limits of Insurance provided by this policy.

HOWEVER, this limitation does not apply to any additional debris removal limit provided in paragraph (4) below.

- (3) This Debris Removal Additional Coverage does not apply to costs to:
- (a) Remove deposits of mud or earth from the grounds, outside of buildings, of the described premises;
 - (b) Extract "pollutants" from land or water;
 - (c) Remove, restore or replace polluted land or water; or
 - (d) Extract "pollutants" from Covered Property.

- (4) If:
- (a) The sum of direct physical loss or damage and debris removal expense exceeds the Limit of Insurance; or
 - (b) The debris removal expense exceeds the amount payable under the 25% Debris Removal coverage limitation in paragraph (2) above;

we will pay up to an additional \$25,000 for each location in any one occurrence under this Debris Removal Additional Coverage.

b. Preservation Of Property

- (1) If it is necessary to move Covered Property from the described premises to preserve it from loss or damage by a Covered Cause of Loss, we will pay for any direct physical loss of or damage to that property:
- (a) While it is being moved or while temporarily stored at another premises; and
 - (b) Only if the loss or damage occurs within 45 days after the property is first moved.

- (2) This Preservation of Property Additional Coverage will not increase the Limits of Insurance provided by this policy.

c. Fire Department Service Charge

- (1) When the fire department is called to save or protect Covered Property from a Covered Cause of Loss, we will pay up to \$25,000 for your liability for fire department service charges:
- (a) Assumed by contract or agreement prior to loss; or
 - (b) Required by local ordinance.
- (2) The limit for this Fire Department Service Charge Additional Coverage is in addition to the Limits of Insurance.
- (3) No deductible applies to this Fire Department Service Charge Additional Coverage.

d. Fire Extinguisher Recharge

- (1) We will pay the expense you incur to recharge portable fire extinguishers when used to combat a covered fire.
- (2) This Fire Extinguisher Recharge Additional Coverage is not subject to the Limits of Insurance.
- (3) No deductible applies to this Fire Extinguisher Recharge Additional Coverage.

e. Collapse

The coverage provided under this Collapse Additional Coverage applies only to an abrupt collapse as described and limited in paragraphs e.(1) through e.(7).

- (1) For the purpose of this Collapse Additional Coverage abrupt collapse means an abrupt falling down or caving in of a building or any part of a building with the result that the building or part of the building cannot be occupied for its intended purpose.
- (2) We will pay for direct physical loss of or damage to Covered Property, caused by abrupt collapse of a building or any part of a building that is insured under this policy or that contains Covered Property insured under this policy, if such collapse is caused by one or more of the following:
- (a) Building decay that is hidden from view, unless the presence of such

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decay is known to an insured prior to collapse.

- (b) Insect or vermin damage that is hidden from view, unless the presence of such decay is known to an insured prior to collapse.
- (c) Use of defective material or methods in construction, remodeling or renovation if the abrupt collapse occurs during the course of the construction, remodeling or renovation.
- (d) Use of defective materials or methods in construction, remodeling or renovation if the abrupt collapse occurs after the construction, remodeling or renovation is complete, but only if the collapse is caused in part by:
 - (i) A cause of loss listed in paragraph (2)(a) or (2)(b);
 - (ii) One or more of the "specified causes of loss";
 - (iii) Breakage of building glass;
 - (iv) Weight of people or personal property; or
 - (v) Weight of rain, snow, sleet or ice, that collects on a roof.
- (3) This Collapse Additional Coverage does not apply to:
 - (a) A building or any part of a building that is in danger of falling down or caving in;
 - (b) A part of a building that is standing, even if it has separated from another part of the building; or
 - (c) A building that is standing or any part of a building that is standing, even if it shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (4) With respect to the following property:
 - (a) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, mast or towers;
 - (b) Awnings, gutters and downspouts;
 - (c) Yard fixtures;
 - (d) Outdoor swimming pools;
 - (e) Fences;

- (f) Bulkheads, pilings, piers, wharves and docks;
- (g) Beach or diving platforms or appurtenances;
- (h) Retaining walls; and
- (i) Walks, roadways and other paved surfaces;

if an abrupt collapse is caused by a cause of loss listed in (2)(a) through (2)(d) above, we will pay for loss or damage to that property in (a) through (i) above only if such loss or damage is a direct result of abrupt collapse of a building insured under this policy and the property is Covered Property under this policy.

- (5) If personal property abruptly falls down or caves in and such collapse is not the result of abrupt collapse of a building or any part of a building, we will pay for loss of or damage to Covered Property caused by such collapse of personal property only if:
 - (a) The collapse of personal property was caused by a Cause of Loss listed in (2)(a) through (2)(d) above;
 - (b) The personal property which collapses is inside a building; and
 - (c) The property which collapses is not of a kind listed in paragraph (4), regardless of whether that kind of property is considered to be personal property or real property.

The coverage stated in this paragraph (5) does not apply to personal property if marring and/or scratching is the only damage to that personal property caused by collapse.

- (6) This Collapse Additional Coverage does not apply to personal property that has not abruptly fallen down or caved in, even if the personal property shows evidence of cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion.
- (7) This Collapse Additional Coverage will not increase the Limits of Insurance provided in this policy.

f. **Water Damage, Other Liquids, Powder Or Molten Material Damage**

- (1) If a covered loss to which this insurance applies was caused by or resulted from water or other liquid, powder or molten material, we will also pay the cost to tear out and replace any part of the building or structure to repair damage to the system or appliance from which the water or other substance escapes.

HOWEVER, we will not pay for a loss caused by or resulting from water or other liquid, powder or molten material if the system or appliance in which the water or other substance escapes from is located off of the described premises.

- (2) We will not pay the cost to repair any defect that caused the loss or damage except as provided in Equipment Breakdown Additional Coverage; but we will pay the cost to repair or replace damaged parts of fire extinguishing equipment if the damage:

- (a) Results in discharge of any substance from an automatic fire protection system; or
- (b) Is directly caused by freezing.

- (3) This Water Damage Additional Coverage will not increase the Limits of Insurance provided in this policy.

g. **Business Income**

(1) **Business Income with Ordinary Payroll Limitation**

- (a) We will pay for the actual loss of "business income" you sustain due to the necessary suspension of your "operations" during the "period of restoration". The suspension must be caused by direct physical loss of or damage to property at the described premises. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.

- (b) With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:

- (i) The portion of the building which you rent, lease or occupy; and
- (ii) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.

- (c) We will only pay for loss of "business income" that you sustain during the "period of restoration" and that occurs within the number of consecutive months shown in the Declarations for Business Income – Actual Loss Sustained after the date of direct physical loss or damage. We will only pay for "ordinary payroll expenses" for the number of days shown in the Declarations for Ordinary Payroll Limit following the date of direct physical loss or damage.

(2) **Extended Business Income**

- (a) If the necessary suspension of your "operations" produces a "business income" loss payable under this policy, we will pay for the actual loss of "business income" you incur during the period that:
- (i) Begins on the date property except finished stock is actually repaired, rebuilt or replaced and "operations" are resumed; and
 - (ii) Ends on the earlier of:
 - i. The date you could restore your "operations", with reasonable speed, to the level which would generate the "business income" amount that would have existed if no direct physical loss or damage had occurred; or
 - ii. Sixty (60) consecutive days after the date determined in (2)(a)(i)

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above, unless a greater number of days is shown for Extended Business Income Increased Period of Indemnity in the Declarations at that described premises.

HOWEVER, Extended Business Income does not apply to loss of "business income" incurred as a result of unfavorable business conditions caused by the impact of the Covered Cause of Loss in the area where the described premises are located.

- (b) Loss of a "business income" must be caused by direct physical loss or damage at the described premises caused by or resulting from any Covered Cause of Loss.
- (3) This Business Income Additional Coverage is not subject to the Limits of Insurance.

h. Extra Expense

- (1) We will pay necessary "extra expense" you incur during the "period of restoration" that you would not have incurred if there had been no direct physical loss of or damage to property at the described premises. The loss or damage must be caused by or result from a Covered Cause of Loss. With respect to loss of or damage to personal property in the open or personal property in a vehicle, the described premises include the area within 1,000 feet of the site at which the described premises are located.
- (2) With respect to the requirements set forth in the preceding paragraph, if you occupy only part of the site at which the described premises are located, your premises means:
 - (a) The portion of the building which you rent, lease or occupy; and
 - (b) Any area within the building or on the site at which the described premises are located, if that area services, or is used to gain access to, the described premises.
- (3) We will only pay for "extra expense" that occurs within the number of consecutive months shown in the Declarations for Extra Expense after

the date of direct physical loss or damage.

- (4) This Extra Expense Additional Coverage is not subject to the Limits of Insurance.

i. Pollutant Clean Up And Removal

- (1) We will pay your expense to extract "pollutants" from land, water or Covered Property at the described premises if the discharge, dispersal, seepage, migration, release or escape of the "pollutants" is caused by or results from a Covered Cause of Loss that occurs during the policy period. The expenses will be paid only if they are reported to us in writing within 180 days of the date of direct physical loss or damage.
- (2) This Pollutant Clean Up And Removal Additional Coverage does not apply to:
 - (a) Costs to test for, monitor or assess the existence, concentration or effects of "pollutants"; or
 - (b) Any penalties or assessments that may be charged against you due to any statute, regulation or ordinance.

But we will pay for testing which is performed in the course of extracting the "pollutants" from land or water.

- (3) The most we will pay for each location under this Pollutant Clean Up And Removal Additional Coverage is \$25,000 for the sum of all such expenses arising out of Covered Causes of Loss occurring during each separate 12 month period of this policy.
- (4) The limit for this Pollutant Clean Up And Removal Additional Coverage is in addition to the Limits of Insurance.

j. Civil Authority

When a Covered Cause of Loss causes damage to property other than property at the described premises, we will pay for the actual loss of Business Income you sustain and necessary Extra Expense caused by action of civil authority that prohibits access to the described premises, provided that both of the following apply:

- (1) Access to the area immediately surrounding the damaged property is

prohibited by civil authority as a result of the damage, and the described premises are within that area but are not more than one mile from the damaged property; and

- (2) The action of civil authority is taken in response to dangerous physical conditions resulting from the damage or continuation of the Covered Cause of Loss that caused the damage, or the action is taken to enable a civil authority to have unimpeded access to the damaged property.

Civil Authority coverage for "business income" will begin 72 hours after the time of the first action of civil authority that prohibits access to the described premises and will apply for a period of up to 30 days after coverage begins.

Civil Authority coverage for necessary "extra expense" will begin immediately after the time of the first action of civil authority that prohibits access to the described premises and will end:

- (1) 30 days after the time of that action; or
- (2) When your Civil Authority coverage for "business income" ends;

whichever is later.

The definitions of Business Income and Extra Expense contained in the Business Income and Extra Expense Additional Coverages also apply to this Civil Authority Additional Coverage. The Civil Authority Additional Coverage is not subject to the Limits of Insurance.

k. Money Orders And Counterfeit Money

- (1) We will pay for loss resulting directly from your having accepted in good faith, in exchange for merchandise, "money" or services:
 - (a) Money orders issued by any post office, express company or bank that are not paid upon presentation; or
 - (b) "Counterfeit money" that is acquired during the regular course of business.
- (2) The most we will pay for any loss under this Money Orders And Counterfeit Money Additional Coverage is \$5,000.
- (3) The limit for this Money Orders And Counterfeit Money Additional

Coverage is in addition to the Limits of Insurance.

l. Forgery And Alteration

- (1) We will pay for loss resulting directly from forgery or alteration of, any check, draft, promissory note, bill of exchange or similar written promise of payment in "money" that you or your agent has issued, or that was issued by someone who impersonates you or your agent.
- (2) If you are sued for refusing to pay the check, draft, promissory note, bill of exchange or similar written promise of payment in "money", on the basis that it has been forged or altered, and you have our written consent to defend against the suit, we will pay for any reasonable legal expenses that you incur in that defense.
- (3) For the purpose of this coverage, check includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.
- (4) The most we will pay for any loss, including legal expenses, under this Additional Coverage is \$10,000, unless a higher Limit of Insurance is shown in the Declarations.
- (5) All losses:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts;
 is considered one occurrence.
- (6) The limit for this Forgery And Alteration Additional Coverage is in addition to the Limits of Insurance.

m. Increased Cost Of Construction – Damaged Property

- (1) This Additional Coverage applies only to buildings insured on a replacement cost basis.
- (2) In the event of damage by a Covered Cause of Loss to a building that is Covered Property, we will pay the increased costs incurred to comply with the minimum standards of an ordinance or law in the course of repair, rebuilding or replacement of damaged parts of that property, subject to the limitations stated in paragraphs (3) through (8) of this

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Increased Cost Of Construction – Damaged Property Additional Coverage.

- (3) The ordinance or law referred to in paragraph (2) of this Increased Cost Of Construction – Damaged Property Additional Coverage is an ordinance or law that regulates the construction or repair of buildings or establishes zoning or land use requirements at the described premises, and is in force at the time of loss.
- (4) Under this Increased Cost Of Construction – Damaged Property Additional Coverage, we will not pay any costs due to an ordinance or law that:
 - (a) You were required to comply with before the loss, even when the building was undamaged; and
 - (b) You failed to comply with.
- (5) Under this Increased Cost Of Construction – Damaged Property Additional Coverage, we will not pay for:
 - (a) The enforcement of, or compliance with, any ordinance or law which requires demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by “pollutants” or due to the presence, growth, proliferation, spread or any activity of “fungi”, wet rot or dry rot; or
 - (b) Any costs associated with the enforcement of, or compliance with, an ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of “pollutants”, “fungi”, wet rot or dry rot.
- (6) The most we will pay under this Increased Cost Of Construction – Damaged Property Additional Coverage, for each described building insured under this Coverage Form, is \$25,000.

The limit for this Increased Cost Of Construction – Damaged Property Additional Coverage is in addition to the Limits of Insurance.

(7) With respect to this Increased Cost Of Construction – Damaged Property Additional Coverage:

- (a) We will not pay any costs:
 - (i) Until the property is actually repaired or replaced, at the same described premises or another premises; and
 - (ii) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
- (b) If the building is repaired or replaced at the same described premises, or if you elect to rebuild at another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the same described premises.
- (c) If the ordinance or law requires relocation to another premises, the most we will pay for the Increased Cost of Construction is the increased cost of construction at the new premises for a building of like, kind and quality and of the same size and use.

(8) This Increased Cost Of Construction – Damaged Property Additional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such exclusion would conflict with the provisions of this Increased Cost Of Construction – Damaged Property Additional Coverage.

n. **Equipment Breakdown**

- (1) We will pay for direct physical loss of or damage to Covered Property caused by or resulting from an “accident” to “covered equipment”.
If an initial “accident” causes other “accidents”, all will be considered one “accident”. All “accidents” that are the result of the same event will be considered one “accident”.
- (2) If a dollar deductible is shown in the declarations for this Equipment Breakdown Additional Coverage, we will first subtract the applicable deductible amount from any loss we

would otherwise pay. We will then pay the amount of loss in excess of the applicable deductible up to the applicable limit for this coverage.

If no dollar deductible is shown for Equipment Breakdown Additional Coverage, the Property Deductible shown in the Declarations applies.

- (3) The following coverages also apply to loss caused by or resulting from an "accident" to "covered equipment". These coverages do not provide additional amounts of insurance.

(a) **Expediting Expenses**

With respect to your damaged Covered Property, we will pay, up to \$100,000, the reasonable extra cost to:

- (i) Make temporary repairs; and
- (ii) Expedite permanent repairs or replacement.

(b) **Hazardous Substances**

We will pay for the additional cost to repair or replace Covered Property because of contamination by a "hazardous substance". This includes the additional expenses to clean up or dispose of such property.

This does not include contamination of "perishable goods" by refrigerant, including but not limited to ammonia, which is addressed in (3)(c)(ii) below.

Additional costs mean those beyond what would have been required had no "hazardous substance" been involved.

The most we will pay for loss, damage or expense under this coverage, including actual loss of "business income" you sustain and necessary "extra expense" you incur is \$100,000.

(c) **Perishable Goods**

- (i) We will pay for physical damage to "perishable goods" due to spoilage.
- (ii) We will also pay for physical damage to "perishable goods" due to contamination from the release of refrigerant, including but not limited to ammonia.

- (iii) We will also pay necessary expenses you incur to reduce the amount of loss under this coverage. We will pay for such expenses to the extent that they do not exceed the amount of loss that otherwise would have been payable under this coverage.
- (iv) If you are unable to replace the "perishable goods" before its anticipated sale, the amount of our payment will be determined on the basis of the sales price of the "perishable goods" at the time of the "accident", less discounts and expenses you otherwise would have had. Otherwise our payment will be determined in accordance with Condition 5. Loss Payment under Section E. **PROPERTY LOSS CONDITIONS.**

The most we will pay for loss, damage or expenses under this coverage is \$100,000.

(d) **Service Interruption**

- (i) The insurance provided under the Business Income Additional Coverage, the Extra Expense Additional Coverage and for (c) Perishable Goods in this Equipment Breakdown Additional Coverage, is extended to apply to your loss, damage or expense caused by the interruption of utility services. The interruption must result from an "accident" to equipment, including overhead transmission lines, that is owned by a utility, landlord, a landlord's utility or other supplier who provides you with any of the following services: electrical power, waste disposal, air conditioning, refrigeration, heating, natural gas, compressed air, water or steam, internet access, telecommunications services, wide area networks or data

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transmission. The equipment must meet the definition of "covered equipment" except that it is not Covered Property.

- (ii) Service Interruption coverage will not apply unless the failure or disruption of service exceeds 24 hours immediately following the "accident".
- (iii) The most we will pay for loss, damage or expense under this coverage is the limit that applies to Business Income, Extra Expense or Perishable Goods.

(e) Electronic Data Restoration

We will pay for your reasonable and necessary cost to research, replace and restore lost "electronic data".

The most we will pay for loss or expense under this coverage, including actual loss of "business income" you sustain and necessary "extra expense" you incur, is \$100,000.

(f) Environmental, Safety and Efficiency Improvements

The following provision does not apply to property insured on an "actual cash value" basis.

If "covered equipment" requires replacement due to loss or damage caused by or resulting from an "accident", we will pay your additional cost to replace with equipment that is better for the environment, more efficient or safer than the equipment being replaced.

HOWEVER, we will not pay more under this additional coverage than 125% of what the cost would have been to repair or replace with like kind and quality.

This provision does not increase any of the applicable limits.

(4) Additional Exclusions

- (a) We will not pay under this Equipment Breakdown Additional Coverage for loss, damage or expense caused by or resulting from:

- (i) Any defect, programming error, programming limitation, "computer" virus, malicious code, loss of data, loss of access, loss of use, loss of functionality or other condition within "electronic data". But if an "accident" results, we will pay for the resulting loss, damage or expense; or

(ii) Any of the following tests:

- i. A hydrostatic, pneumatic or gas pressure test of any boiler or pressure vessel; or
- ii. An electrical insulation breakdown test of any type of electrical equipment.

- (b) With respect to (d) Service Interruption coverage, we will not pay for an "accident" caused by or resulting from: fire; lightning; windstorm or hail; explosion (except for steam or centrifugal explosion); smoke; aircraft or vehicles; riot or civil commotion; vandalism; sprinkler leakage; falling objects; weight of snow, ice or sleet; freezing; collapse; flood; or earth movement.

- (c) Exclusion B.1.h. Fungi, Wet Rot Or Dry Rot does not apply to spoilage of personal property that is "perishable goods," to the extent that spoilage is covered under (c) Perishable Goods coverage.

- (d) We will not pay under this Equipment Breakdown Additional Coverage for any loss or damage to animals.

(5) Additional Conditions

(a) Suspension

Whenever "covered equipment" is found to be in, or exposed to a dangerous condition, any of our representatives may immediately suspend the insurance against loss from an "accident" to that "covered equipment". This can be done by mailing or delivering a written notice of suspension to: your address as shown in the Declarations, or at the address

where the equipment is located. Once suspended in this way, your insurance can be reinstated only by written notice of reinstatement from us.

(b) **Jurisdictional Inspections**

If "covered equipment" under this Equipment Breakdown Additional Coverage requires inspection to comply with state or municipal boiler and pressure vessel regulations, we agree to perform such inspection on your behalf. We do not warrant that conditions are safe or healthful.

- (6) The most we will pay for loss, damage or expense under this Equipment Breakdown Additional Coverage arising from any one "accident" is the applicable Limit of Insurance shown in the Declarations. This Equipment Breakdown Additional Coverage will not increase the Limits of Insurance provided by this policy.

o. **Arson Reward for Conviction**

- (1) In the event that a covered fire loss was the result of an act of arson, we will pay a reward to anyone, other than paid investigators, who gives legal authorities information that leads to the conviction of anyone who committed such arson.
- (2) We will pay up to 10 percent of the amount of the insured fire loss or \$10,000, whichever is less. This payment is the most we will pay in any one occurrence, regardless of the number of persons providing information or convicted of arson.
- (3) The limit for this Arson Reward for Conviction Additional Coverage is in addition to the Limits of Insurance.
- (4) No deductible applies to this Arson Reward for Conviction Additional Coverage.

p. **Money And Securities**

- (1) We will pay for loss of "money" and "securities" used in your business while at a bank or savings institution, within your living quarters or the living quarters of your partners or any employee (including a temporary or leased employee) having use and custody of the property, at the

described premises, or in transit by direct route between any of these places, resulting directly from:

- (a) Theft, meaning any act of stealing;
 - (b) Disappearance; or
 - (c) Destruction.
- (2) In addition to the Limitations and Exclusions applicable to property coverage, we will not pay for loss or damage:
- (a) Resulting from accounting or arithmetical errors or omissions;
 - (b) Due to the giving or surrendering of property in any exchange or purchase;
 - (c) Of property contained in any "money"-operated device unless the amount of "money" deposited in it is recorded by a continuous recording instrument in the device;
 - (d) From an unattended motor vehicle; or
 - (e) That is covered under the Unauthorized Business Card Use or Computer Fraud And Funds Transfer Fraud Additional Coverages.
 - (f) To "money" and "securities" following and directly related to the use of any computer to fraudulently cause a transfer of that property from inside the described premises, bank or savings institution:
 - (i) To a person (other than a messenger) outside those premises; or
 - (ii) To a place outside those premises.
- (3) The most we will pay under this Money and Securities Additional Coverage for loss in any one occurrence is:
- (a) **Inside the Premises**, \$10,000 for "money" and "securities" while:
 - (i) In or on the described premises; or
 - (ii) Within a bank or savings institution;
 unless a higher Limit of Insurance for "money" and "securities"

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inside the premises is shown in the Declarations; and

- (b) **Outside the Premises**, \$10,000 for "money" and "securities" while anywhere else, unless a higher Limit of Insurance for "money" and "securities" outside the premises is shown in the Declarations.
 - (4) All loss:
 - (a) Caused by one or more persons; or
 - (b) Involving a single act or series of related acts; is considered one occurrence.
 - (5) You must keep records of all "money" and "securities" so we can verify the amount of any loss or damage.
 - (6) The limit for this Money and Securities Additional Coverage is in addition to the Limits of Insurance.
 - (7) With respect to this Optional Coverage, "premises" means the interior of that portion of any building you occupy in conducting your business.
- q. **Appurtenant Structures**
- (1) We will pay for direct physical loss of or damage to any separate garages, storage buildings, swimming pools, spas, fences, retaining walls, paved surfaces and other appurtenant structures usual to your business at the described premises in the Declarations caused by or resulting from any Covered Cause of Loss.
 - (2) The most we will pay for loss or damage under this Appurtenant Structures Additional Coverage in any one occurrence is 10% of the Building Limit of Insurance shown in the Declarations for that described building.
- HOWEVER, if the value of any one garage, storage building, swimming pool, spa, fence, retaining wall, paved surfaces or other appurtenant structure exceeds \$50,000, this Appurtenant Structures Additional Coverage does not apply to that structure. The value of the property covered under this Appurtenant Structures Additional Coverage will be determined at replacement cost without deduction for depreciation. If the "Actual Cash Value – Buildings"

option applies to Buildings, as shown in the Declarations, we will determine the value of property covered under this Appurtenant Structures Additional Coverage at "actual cash value". In Section E. PROPERTY LOSS CONDITIONS, paragraph 5.e.(1)(b) under Loss Payment does not apply in determining if property is covered under this Appurtenant Structures Additional Coverage. All Loss Payment provisions are otherwise applicable for loss or damage covered by this Additional Coverage.

- (3) The limit for this Appurtenant Structures Additional Coverage is in addition to the Limits of Insurance.

r. **Back Up Of Sewer Or Drain Water Damage**

- (1) For the purpose of this Back Up Of Sewer Or Drain Water Damage Additional Coverage the following definition is added:
 "Flood" means a general and temporary condition of partial or complete inundation of normally dry land areas from:
 - (a) The unusual and rapid accumulation or runoff of surface waters from any source;
 - (b) The overflow of inland or tidal waters; or
 - (c) Waves, tides or tidal waves.
- (2) We will pay for loss of or damage to Covered Property caused by water that backs up or overflows from a sewer or drain pipe, sump pump well or similar device designed to prevent overflow, seepage or leakage of subsurface water.
 We will also pay for loss of or damage to Covered Property caused by water that overflows from any interior plumbing fixture because the water is unable to enter into an attached drain pipe.
 HOWEVER, we will not pay for loss or damage that results from:
 - (a) Sewer back-up or sump pump overflow that occurs during the period beginning 10 days before and ending 10 days after a "flood" on the described premises;
 - (b) An insured's failure to keep a sump pump or its related equipment in proper working condition;

- (c) An insured's failure to perform the routine maintenance or repair necessary to keep a sewer or drain pipe free from obstructions;
 - (d) Sump pump failure which is caused by or results from failure of power, unless this policy is endorsed to cover power failure affecting the described premises; or
- (3) The most we will pay for loss or damage under this coverage is:
- (a) \$5,000 per building; or
 - (b) \$25,000 in any one policy period, regardless of the number of losses;

unless a higher Limit of Insurance for Back Up Of Sewer Or Drain Water Damage is shown in the Declarations.

- (4) The limit of insurance that applies to coverage under this Back Up Of Sewer Or Drain Water Damage Additional Coverage includes any loss arising from debris removal expense, Business Income Additional Coverage and Extra Expense Additional Coverage.
- (5) The limit for this Back Up Of Sewer Or Drain Water Damage Additional Coverage is in addition to the Limits of Insurance.
- (6) The Debris Removal Additional Coverage does not apply to this Back Up Of Sewer Or Drain Water Damage Additional Coverage.

s. Dependent Properties – Business Income

- (1) We will pay for the actual loss of "business income" you sustain due to the necessary and unavoidable suspension of your "operations" during the "period of restoration". The suspension must be caused by direct physical loss of or damage to "dependent property" or "secondary dependent property" caused by or resulting from any Covered Cause of Loss.

HOWEVER, this Additional Coverage does not apply when the only loss at the premises of a Dependent Property or Secondary Dependent Property is loss or damage to "electronic data". If the Dependent Property or Secondary Dependent

Property sustains loss or damage to "electronic data" and other property, coverage under this Additional Coverage will not continue once the property is repaired, rebuilt or replaced.

- (2) We will only pay for loss of "business income" that occurs within 12 consecutive months after the date of direct physical loss or damage.
- (3) This Dependent Properties – Business Income Additional Coverage is not subject to the Limits of Insurance.
- (4) The "dependent property" or "secondary dependent property" must be located in the coverage territory of this policy.

t. Limited Coverage for Fungi, Wet Rot Or Dry Rot

- (1) The coverage described in paragraphs t.(2) and t.(6) only applies when the "fungi", wet rot or dry rot are the result of a "specified cause of loss" other than fire or lightning that occurs during the policy period and only if all reasonable means were used to save and preserve the property from further damage at the time of and after that occurrence.
- (2) We will pay for loss or damage by "fungi", wet rot or dry rot. As used in this Limited Coverage, the term loss or damage means:
 - (a) Direct physical loss or damage to Covered Property caused by "fungi", wet rot or dry rot, including the cost of removal of the "fungi", wet rot or dry rot;
 - (b) The cost to tear out and replace any part of the building or other property as needed to gain access to the "fungi", wet rot or dry rot; and
 - (c) The cost of testing performed after removal, repair, replacement or restoration of the damaged property is completed, provided there is a reason to believe that "fungi", wet rot or dry rot are present.
- (3) The coverage described under this Limited Coverage is limited to \$15,000. Regardless of the number of claims, this limit is the most we will

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pay for the total of all loss or damage arising out of all occurrences of "specified causes of loss" (other than fire or lightning) which take place in a 12-month period (starting with the beginning of the present annual policy period). With respect to a particular occurrence of loss which results in "fungi", wet rot or dry rot, we will not pay more than the total of \$15,000 even if the "fungi", wet rot or dry rot continues to be present or active, or recurs, in a later policy period.

- (4) The coverage provided under this Limited Coverage does not increase the applicable Limit of Insurance on any Covered Property. If a particular occurrence results in loss or damage by "fungi", wet rot or dry rot, and other loss or damage, we will not pay more, for the total of all loss or damage, than the applicable Limit of Insurance on the affected Covered Property.

If there is covered loss or damage to Covered Property, not caused by "fungi", wet rot or dry rot, loss payment will not be limited by the terms of this Limited Coverage, except to the extent that "fungi", wet rot or dry rot causes an increase in the loss. Any such increase in the loss will be subject to the terms of this limited coverage.

- (5) The terms of this Limited Coverage do not increase or reduce the coverage provided under the Water Damage, Other Liquids, Powder Or Molten Material Damage or Collapse Additional Coverages.
- (6) The following applies only if Business Income and/or Extra Expense Coverage applies to the described premises and only if the suspension of "operations" satisfies all the terms and conditions of the applicable Business Income and/or Extra Expense Additional Coverage:
- (a) If the loss which resulted in "fungi", wet rot or dry rot does not in itself necessitate a suspension of "operations", but such suspension is necessary due to loss or damage to property caused by "fungi", wet rot or dry rot, then our payment under the Business Income and/or Extra

Expense is limited to the amount of loss and/or expense sustained in a period of not more than 30 days. The days need not be consecutive.

- (b) If a covered suspension of "operations" was caused by loss or damage other than "fungi", wet rot or dry rot, but remediation of "fungi", wet rot or dry rot prolongs the "period of restoration", we will pay for loss and/or expense sustained during the delay (regardless of when such a delay occurs during the "period of restoration"), but such coverage is limited to 30 days. The days need not be consecutive.

u. **Building Property of Others**

- (1) If you occupy a described premises as a tenant, and a written lease or rental agreement for that premises requires you to pay for loss of or damage to a part of building property you do not own, we will pay for direct physical loss of or damage to that part of building property described in section A.1.a, other than exterior glass, caused by a Covered Cause of Loss.
- (2) The valuation of property covered under this Additional Coverage will be determined in accordance with the building valuation option (e.g. Actual Cash Value or Replacement Cost) shown on the policy declarations, or at the amount for which the tenant is liable under contract, whichever is less.
- (3) The most we will pay for any loss or damage under this Building Property of Others Additional Coverage is \$10,000, unless a higher limit is shown in the Declarations or the property is covered under another coverage form of this or all other collectible insurance. HOWEVER if a higher limit is described in the Covered Property Declarations or the property is covered under another coverage form of this or any other specifically scheduled property, that coverage amount will be in excess of the Building Property of Others Additional Coverage limit, up the applicable limit of insurance.

- (4) The limit for this Building Property of Others Additional Coverage is in addition to the Limits of Insurance.

v. **Unauthorized Business Card Use**

- (1) We will pay for the legal obligation you have because of the theft or unauthorized use of your business credit, debit or charge cards issued to you or registered in your name or the name of your business.
- (2) The most we will pay under this Unauthorized Business Card Use Additional Coverage for loss in any one occurrence is \$10,000.
- (3) All loss:
- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts;
- is considered one occurrence.
- (4) The limit for this Unauthorized Business Card Use Additional Coverage is in addition to the Limits of Insurance.

w. **Computer Fraud And Funds Transfer Fraud**

- (1) We will pay for:
- (a) Loss resulting from "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" or "securities" from your "transfer account"; or
- (b) Loss directly related to the use of any computer to fraudulently cause a transfer of covered property from inside the described premises to a person (other than a messenger) or place outside those premises.
- (2) The most we will pay under this Computer Fraud And Funds Transfer Fraud Additional Coverage for loss in any one occurrence is \$10,000 unless a higher Limit of Insurance is shown in the Declarations.
- (3) All loss:
- (a) Caused by one or more persons; or
- (b) Involving a single act or series of related acts;
- is considered one occurrence.
- (4) The limit for this Computer Fraud and Funds Transfer Fraud Additional

Coverage is in addition to the Limits of Insurance.

- (5) In section B. EXCLUSIONS of this Coverage Form:

- (a) paragraph B.2.g. False Pretense does not apply to this additional coverage.
- (b) The following exclusion is added:
We will not pay for loss or damages caused by or resulting from the use or purported use of credit, debit, charge, access, convenience, identification, stored-value or other cards or the information contained on such cards.

6. **COVERAGE EXTENSIONS**

Except as otherwise provided, the following Extensions apply to property located in or on the described building in the Declarations or in the open (or in a vehicle) within 1,000 feet of the described premises.

In addition to the Limits of Insurance, you may extend the insurance provided by this policy as follows.

a. **Newly Acquired or Constructed Property**

(1) **Buildings**

If this policy covers Buildings, you may extend that insurance to apply to:

- (a) Your new buildings while being built on the described premises; and
- (b) Buildings you acquire at premises other than the one described, intended for:
- (i) Similar use as the described building in the Declarations; or
- (ii) Use as a warehouse.

The most we will pay for loss or damage under this Buildings Coverage Extension is \$1,000,000 at each building.

(2) **Business Personal Property**

If this policy covers Business Personal Property, you may extend that insurance to apply to:

- (a) Business Personal Property, including such property that you newly acquire, other than at fairs or exhibitions, at any premises you acquire;

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- (b) Business Personal Property, including such property that you newly acquire, located at your newly constructed or acquired buildings at the described premises;

This Extension does not apply to personal property that you temporarily acquire in the course of installing or performing work on such property or your wholesale activities.

The most we will pay for loss or damage under this Business Personal Property Coverage Extension is \$500,000 at each building.

(3) Period Of Coverage

With respect to insurance provided under this Coverage Extension for Newly Acquired Or Constructed Property, coverage will end when any of the following first occurs:

- (a) This policy expires;
- (b) 180 days after you acquire the property or begin construction of that part of the building that would qualify as covered property; or
- (c) You report values to us.

We will charge you additional premium for values reported from the date you acquire the property or begin construction of that part of the building that would qualify as covered property.

b. Newly Acquired Property - Business Income

- (1) You may extend the insurance that applies to Business Income Additional Coverages to apply to property at any premises you newly acquire, other than temporary premises such as fairs or exhibitions, whether attended regularly or not.
- (2) The most we will pay for loss under this Newly Acquired Property - Business Income Coverage Extension is the lesser of:
 - (a) The actual loss of "business income" you sustain, as provided for and described under the Business Income Additional Coverage; or
 - (b) \$100,000.

- (3) This insurance will end the earlier of:
 - (a) This policy expires;
 - (b) 180 days after you acquire the property; or
 - (c) You report values to us.

We will charge you any additional premium from the date you acquire the property.

c. Personal Property Off-premises

You may extend the insurance provided by this policy to apply to your Covered Property, other than "money" and "securities", "valuable papers and records" or accounts receivable, while it is in the course of transit or at a premises you do not own, lease or operate.

The most we will pay for loss or damage under this Personal Property Off-premises Coverage Extension is \$15,000 unless a higher limit of insurance for Personal Property Off-premises is shown in the Declarations.

d. Outdoor Trees, Shrubs, Plants, and Lawns

- (1) You may extend the insurance provided by this policy to apply to your outdoor trees, shrubs, plants and lawns (other than "stock"), including debris removal expense, caused by or resulting from any of the following Causes of Loss:

Fire; Lightning; Explosion; Aircraft or vehicles; Riot or civil commotion; Vandalism; or Theft.

- (2) The most we will pay for loss or damage under this Outdoor Trees, Shrubs, Plants, and Lawns Coverage Extension is \$10,000 in any one occurrence, unless a higher limit for outdoor trees, shrubs, plants, and lawns is shown in the Declarations, but not more than \$2,500 for any one tree, shrub or plant.

Subject to all aforementioned terms and limitations of coverage, this Coverage Extension includes the expense of removing from the described premises the debris of trees, shrubs and plants which are the property of others, except in the situation in which you are a tenant and such property is owned by the landlord of the described premises.

- (3) The Debris Removal Additional Coverage does not apply to this Outdoor Trees, Shrubs, Plants, and Lawns Coverage Extension.

e. **Outdoor Signs**

- (1) You may extend the insurance provided by this policy to apply to your outdoor signs, including debris removal expense.
- (2) The most we will pay for loss or damage under this Outdoor Signs Coverage Extension is \$2,500 in any one occurrence, unless a higher limit for outdoor signs is shown in the Declarations.
- (3) The Debris Removal Additional Coverage does not apply to this Outdoor Signs Coverage Extension.

f. **Personal Effects**

You may extend the insurance that applies to Business Personal Property to apply to personal effects owned by you, your officers, your partners or "members", your "managers" or your employees.

HOWEVER, personal effects does not include:

- (1) Tools or equipment used in your business; or
- (2) "Money", "securities" or jewelry.

AND this Business Personal Property Coverage Extension does not apply to:

- (a) Property while it is in the course of transit or at a premises you do not own, lease or operate.
- (b) Property in storage away from the described premises.

The most we will pay for loss or damage under this Personal Effects Coverage Extension is \$10,000 in any one occurrence, but not more than \$2,500 for the personal effects of any one individual.

g. **Valuable Papers And Records**

- (1) You may extend the insurance provided by this policy to apply to direct physical loss or damage to "valuable papers and records" that you own, or that are in your care, custody or control, caused by or resulting from a Covered Cause of Loss. This Valuable Papers And Records Coverage Extension includes the cost to research, replace or restore the lost information on

"valuable papers and records" for which duplicates do not exist.

- (2) This Valuable Papers And Records Coverage Extension does not apply to:
- (a) Property held as samples or for delivery after sale;
- (b) Property in storage away from the described premises.
- (3) The most we will pay under this Valuable Papers And Records Coverage Extension for loss of or damage to "valuable papers and records", in any one occurrence at the described building is \$25,000, unless a higher Limit of Insurance for "valuable papers and records" is shown in the Declarations.

For "valuable papers and records" not at the described premises, the most we will pay is \$25,000.

- (4) Loss or damage to "valuable papers and records" will be valued at the cost of restoration or replacement of the lost or damaged information. To the extent that the contents of the "valuable papers and records" are not restored, the "valuable papers and records" will be valued at the cost of replacement with blank materials of substantially identical type.
- (5) Section B. EXCLUSIONS of this Coverage Form does not apply to this Valuable Papers And Records Coverage Extension except for:
- (a) Paragraph B.1.c. Governmental Action;
- (b) Paragraph B.1.d. Nuclear Hazard;
- (c) Paragraph B.1.f. War And Military Action;
- (d) Paragraph B.2.f. Dishonesty;
- (e) Paragraph B.2.g. False Pretense;
- (f) Paragraph B.2.m.(2) Errors Or Omissions; and
- (g) Paragraph B.3.

h. **Accounts Receivable**

- (1) You may extend the insurance provided by this policy to apply to your records of accounts receivable. We will pay:

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- (a) All amounts due from your customers that you are unable to collect;
 - (b) Interest charges on any loan required to offset amounts you are unable to collect pending our payment of these amounts;
 - (c) Collection expenses in excess of your normal collection expenses that are made necessary by loss or damage; and
 - (d) Other reasonable expenses that you incur to re-establish your records of accounts receivable; that result from direct physical loss or damage by any Covered Cause of Loss to your records of accounts receivable.
- (2) The most we will pay under this Accounts Receivable Coverage Extension for loss or damage in any one occurrence at the described building is \$25,000, unless a higher Limit of Insurance for accounts receivable is shown in the Declarations.
- For records of accounts receivable not at the described premises, the most we will pay is \$25,000.
- (3) Section B. EXCLUSIONS of this Coverage Form does not apply to this Accounts Receivable Coverage Extension except for:
- (a) Paragraph B.1.c. Governmental Action;
 - (b) Paragraph B.1.d. Nuclear Hazard;
 - (c) Paragraph B.1.f. War And Military Action;
 - (d) Paragraph B.2.f. Dishonesty;
 - (e) Paragraph B.2.g. False Pretense;
 - (f) Paragraph B.3.; and
 - (g) Paragraph B.6. Accounts Receivable Exclusion.
- i. **Salespersons Samples**
- (1) You may extend the insurance that applies to Business Personal Property to apply to salespersons samples while away from the described premises.
 - (2) The most we will pay under this Salespersons Samples Coverage

Extension for loss or damage in any one occurrence is \$10,000.

j. **Business Income and Extra Expense – Increased Period of Restoration Due to Ordinance or Law**

If a Covered Cause of Loss occurs to property at the described premises, coverage is extended to include the amount of actual and necessary loss you sustain during the “period of restoration” of “operations” caused by or resulting from the enforcement of, or compliance with, any ordinance or law that:

- (1) Regulates the construction or repair of any property;
- (2) Requires the tearing down of parts of any property not damaged by a Covered Cause of Loss; and
- (3) Is in force at the time of loss.

HOWEVER, coverage is not extended under this Business Income and Extra Expense – Increased Period of Restoration Due to Ordinance or Law Extension to include loss caused by or resulting from the enforcement of or compliance with any ordinance or law which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of “pollutants”.

k. **Removal Permit**

If Covered Personal Property is removed to a new premise that is described in the Declarations, you may extend this insurance to include that Covered Personal Property at each premise during the removal. Coverage at each premises will apply in the proportion that the value at each premises bears to the value of all Covered Personal Property being removed. This permit applies up to 30 days after the date Covered Personal Property is first removed at the previous premises; after that, this Removal Permit Coverage Extension does not apply at the previous premises.

l. **Electronic Data**

- (1) You may extend the insurance provided by this policy to apply to the cost to replace or restore “electronic data” which has been destroyed or corrupted by a Covered Cause of Loss, a “computer” virus, harmful code or similar instruction introduced

into or enacted on a "computer" system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for loss or damage caused by or resulting from:

- (a) manipulation of a "computer" system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you, or for you, to inspect, design, install, modify, maintain, repair or replace that system; or
 - (b) Ransomware, meaning any software that encrypts "electronic data" held within a computer system and demands a ransom payment in order to decrypt and restore such "electronic data".
- (2) To the extent that "electronic data" is not replaced or restored, the loss will be valued at the cost of replacement of the media on which the "electronic data" was stored, with blank media of substantially identical type.
- (3) The most we will pay under this Electronic Data Coverage Extension for all loss or damage sustained in any one policy year, regardless of the number of occurrences of loss or damage or the number of buildings, locations or "computer" systems involved, is \$10,000, unless a higher Limit of Insurance is shown in the Declarations. If loss payment on the first occurrence does not exhaust this amount, then the balance is available for subsequent loss or damage sustained in, but not after, that policy year. With respect to an occurrence which begins in one policy year and continues or results in additional loss or damage in a subsequent policy year(s), all loss or damage is deemed to be sustained in the policy year in which the occurrence began.
- (4) This Electronic Data Coverage Extension does not apply to losses covered under the Equipment Breakdown Additional Coverage.

m. Interruption of Computer Operations

- (1) You may extend the insurance that applies to Business Income and Extra

Expense Additional Coverages to apply to a suspension of "operations" caused by an interruption in "computer" operations due to destruction or corruption of "electronic data" due to "specified causes of loss", Collapse or a "computer" virus, harmful code or similar instruction introduced into or enacted on a "computer" system (including "electronic data") or a network to which it is connected, designed to damage or destroy any part of the system or disrupt its normal operation. But there is no coverage for an interruption related to;

- (a) manipulation of a "computer" system (including "electronic data") by any employee, including a temporary or leased employee, or by an entity retained by you, or for you, to inspect, design, install, modify, maintain, repair or replace that system; or
 - (b) Ransomware, meaning any software that encrypts "electronic data" held within a computer system and demands a ransom payment in order to decrypt and restore such "electronic data".
- (2) The most we will pay under this Interruption of Computer Operations Coverage Extension for all loss sustained and expense incurred in any one policy year, regardless of the number of interruptions or the number of buildings, locations or "computer" systems involved, is \$10,000 unless a higher Limit of Insurance is shown in the Declarations. If loss payment relating to the first interruption does not exhaust this amount, then the balance is available for loss or expense sustained or incurred as a result of subsequent interruptions in that policy year. A balance remaining at the end of a policy year does not increase the amount of insurance in the next policy year. With respect to any interruption which begins in one policy year and continues or results in additional loss or expense in a subsequent policy year(s), all loss and expense is deemed to be sustained or incurred in the policy year in which the interruption began.

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- (3) This Interruption of Computer Operations Coverage Extension does not apply to loss sustained or expense incurred after the end of the "period of restoration", even if the amount of insurance stated in (2) above has not been exhausted.
- (4) Coverage for Business Income does not apply when a suspension of "operations" is caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under paragraphs (1) through (3) of this Interruption of Computer Operations Coverage Extension.
- (5) Coverage for Extra Expense does not apply when action is taken to avoid or minimize a suspension of "operations" caused by destruction or corruption of "electronic data", or any loss or damage to "electronic data", except as provided under paragraphs (1) through (3) of this Interruption of Computer Operations Coverage Extension.
- (6) This Additional Coverage does not apply when loss or damage to "electronic data" involves only "electronic data" which is integrated in and operates or controls a building's elevator, lighting, heating, ventilation, air conditioning or security system.
- (7) This Interruption of Computer Operations Coverage Extension does not apply to losses covered under the Equipment Breakdown Additional Coverage.

n. Business Personal Property Temporarily In Portable Storage Units

- (1) You may extend the insurance that applies to Business Personal Property to apply to such property while temporarily stored in a portable storage unit (including a detached trailer) located within 1000 feet of the described premises, whichever distance is greater.
- (2) The limitation under paragraph A.4.a (6) also applies to property in a portable storage unit.
- (3) Coverage under this extension:
 - (a) Will end 90 days after the Business Personal Property has been placed in the storage unit;
 - (b) Does not apply if the storage unit itself has been in use at the described premises for more than 90 consecutive days, even if the Business Personal

Property has been stored there for 90 or fewer days as of the time of loss or damage.

- (4) Under this Coverage Extension, the most we will pay for the total of all loss or damage to Business Personal Property at the described premises is \$10,000 (unless a higher Limit Of Insurance is shown in the Declarations for Business Personal Property Temporarily In Portable Storage Units regardless of the number of storage units).
- (5) This extension does not apply to loss or damage otherwise covered under this Coverage Form or any endorsement to this Coverage Form, and does not apply to loss or damage to the storage unit itself.

B. EXCLUSIONS

- 1. We will not pay for loss or damage caused directly or indirectly by any of the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. These exclusions apply whether or not the loss event results in widespread damage or affects a substantial area.

a. Ordinance Or Law

The enforcement of, or compliance with, any ordinance or law:

- (1) Regulating the construction, use or repair of any property;
- (2) Requiring the tearing down of any property, including the cost of removing its debris; or
- (3) Requiring the removal or disposal of "pollutants".

This Ordinance Or Law Exclusion applies whether the loss results from:

- (1) An ordinance or law that is enforced even if the property has not been damaged; or
- (2) The increased costs incurred to comply with an ordinance or law in the course of

construction, repair, renovation, remodeling or demolition of property or removal of its debris, following a physical loss to that property.

b. Earth Movement

- (1) Earthquake, including tremors and aftershocks and any earth sinking, rising or shifting related to such event.
- (2) Landslide, including any earth sinking, rising or shifting related to such event.
- (3) Mine subsidence, meaning subsidence of a man-made mine, whether or not mining activity has ceased.
- (4) Earth sinking (other than sinkhole collapse), rising or shifting including
- (5) Volcanic eruption, explosion or effusion. But if volcanic eruption, explosion or effusion results in fire, building glass breakage or volcanic action, we will pay for the loss or damage caused by that fire, building glass breakage or volcanic action. Volcanic action means direct loss or damage resulting from the eruption of a volcano when the loss or damage is caused by:
 - (a) Airborne volcanic blast or airborne shock waves;
 - (b) Ash, dust, or particulate matter; or
 - (c) Lava flow.

With respect to coverage for volcanic action as set forth in 5(a), 5(b) and 5(c), all volcanic eruptions that occur within any 168-hour period will constitute a single occurrence.

Volcanic action does not include the cost to remove ash, dust or particulate matter that does not cause direct physical loss of or damage to Covered Property. This exclusion applies regardless of whether any of the above, in Paragraphs (1) through (5), is caused by an act of nature or is otherwise caused. An example of a situation to which the 'otherwise caused' exclusion would apply are acts such as road construction, using tools such as jack hammers and causing ground vibrations in close proximity to the insured's building resulting in damage to the building's structure and foundation.

soil conditions which cause settling, cracking or other disarrangement of foundations or other parts of realty. Soil conditions include contraction, expansion, freezing, thawing, erosion, improperly compacted soil and the action of water under the ground surface. But if Earth Movement, as described in (1) through (4) above, results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

c. Governmental Action

Seizure or destruction of property by order of governmental authority.

But we will pay for loss or damage caused by or resulting from acts of destruction ordered by governmental authority and taken at the time of a fire to prevent its spread, if the fire would be covered under this policy.

d. Nuclear Hazard

Nuclear reaction or radiation, or radioactive contamination, including but not limited to radon gas, however caused.

But if nuclear reaction or radiation, or radioactive contamination, results in fire, we will pay for the loss or damage caused by that fire.

e. Utility Services

The failure of power, communication, water or other utility service supplied to the described premises, however caused, if the failure occurs away from the described premises.

Failure of any utility service includes lack of sufficient capacity and reduction in supply.

Loss or damage caused by a surge of power is also excluded, if the surge would not have occurred but for an event causing a failure of power.

But if the failure or surge of power, or the failure of communication, water or other utility service results in a Covered Cause of Loss, we will pay for the loss or damage caused by that

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Covered Cause of Loss.

Communication services include but are not limited to service relating to Internet access or access to any electronic, cellular or satellite network.

This exclusion does not apply to loss or damage provided under the Equipment Breakdown Additional Coverage.

f. War And Military Action

- (1) War, including undeclared or civilwar;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

g. Water

- (1) Flood, surface water, waves (including tidal wave and tsunami), tides, tidal water, overflow of any body of water, or spray from any of these, all whether or not driven by wind (including storm surge);
- (2) Mudslide or mudflow;
- (3) Water that backs up or overflows or is otherwise discharged from a sewer, drain pipe, sump, sump pump or related equipment, except as provided under the Back Up Of Sewer Or Drain Water Damage Additional Coverage; Water under the ground surface pressing on, or flowing or seeping through:
 - (a) Foundations, walls, floors or paved surfaces;
 - (b) Basements, whether paved or not; or
 - (c) Doors, windows or other openings; or
- (4) Waterborne material carried or otherwise moved by any of the water referred to in paragraph (1), (3) or (4), or material carried or otherwise moved by mudslide or mudflow.

- (5) Water that overflows from any plumbing fixture because the water is unable to enter into an attached drainpipe, or water that is unable to enter into a drain pipe through any interior or exterior drain, drain strainer, catchbasin, roof drain, scupper, or similar device designed to channel water from a plumbing fixture, roof, floor or other surface area, except as provided under the Back Up Of Sewer Or Drain Water Damage Additional Coverage.

This exclusion applies regardless of whether any of the above, in paragraphs

(1) through (6), is caused by an act of nature or is otherwise caused. An example of a situation to which this exclusion applies is the situation where a dam, levee, seawall or other boundary or containment system fails in whole or in part, for any reason, to contain the water.

HOWEVER, if electrical "covered equipment" requires drying out because of the above, we will pay for the direct expenses of such drying out subject to the applicable Limit of Insurance and deductible for Building or Business Personal Property, whichever applies.

But if any of the above paragraphs (1) through (6), results in fire, explosion or sprinkler leakage, we will pay for the loss or damage caused by that fire, explosion or sprinkler leakage.

h. Fungi, Wet Rot Or Dry Rot

Presence, growth, proliferation, spread or any activity of "fungi", wet rot or dry rot.

But if "fungi", wet rot or dry rot result in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

This exclusion does not apply:

- (1) When "fungi", wet rot or dry rot result from fire or lightning; or
- (2) To the extent that coverage is provided in the Limited Coverage For Fungi, Wet Rot Or Dry Rot Additional Coverage, with respect to loss or damage by a cause of loss other than fire or lightning.

i. **Virus Or Bacteria**

- (1) Any virus, bacterium or other microorganism that induces or is capable of inducing physical distress, illness or disease.
- (2) However, the exclusion in paragraph (1) does not apply to loss or damage caused by or resulting from "fungi", wet rot or dry rot. Such loss or damage is addressed in Exclusion h. Fungi, Wet Rot or Dry Rot.
- (3) With respect to any loss or damage subject to the exclusion in paragraph (1), such exclusion supersedes any exclusion relating to "pollutants".

2. We will not pay for loss or damage caused by or resulting from any of the following:

a. **Electrical Apparatus**

Artificially generated electrical, magnetic or electromagnetic energy that damages, disturbs, disrupts or otherwise interferes with any:

- (1) Electrical or electronic wire, device, appliance, system or network; or
- (2) Device, appliance, system or network utilizing cellular or satellite technology.

For the purpose of this exclusion, electrical, magnetic or electromagnetic energy includes but is not limited to:

- (1) Electrical current, including arcing;
- (2) Electrical charge produced or conducted by a magnetic or electromagnetic field;
- (3) Pulse of electromagnetic energy; or
- (4) Electromagnetic waves or microwaves.

But if fire results, we will pay for the loss or damage caused by fire.

This Electrical Apparatus exclusion does not apply to the coverage provided under the Equipment Breakdown Additional Coverage.

b. **Consequential Losses**

Delay, loss of use or loss of market.

c. **Smoke, Vapor, Gas**

Smoke, vapor or gas from agricultural smudging or industrial operations.

d. **Steam Apparatus**

Explosion of steam boilers, steam pipes, steam engines or steam turbines

owned or leased by you, or operated under your control. But if explosion of steam boilers, steam pipes, steam engines or steam turbines results in fire or combustion explosion, we will pay for the loss or damage caused by that fire or combustion explosion. We will also pay for loss or damage caused by or resulting from the explosion of gases or fuel within the furnace of any fired vessel or within the flues or passages through which the gases of combustion pass.

This Steam Apparatus exclusion does not apply to the coverage provided under the Equipment Breakdown Additional Coverage.

e. **Frozen Plumbing**

Water, other liquids, powder or molten material that leaks or flows from plumbing, heating, air conditioning or other equipment (except fire protective systems) caused by or resulting from freezing, unless:

- (1) You do your best to maintain heat in the building or structure; or
- (2) You drain the equipment and shut off the supply if the heat is not maintained.

f. **Dishonesty**

Dishonest or criminal acts (including theft) by you, anyone else with an interest in the property, or any of your or their partners, "members", officers, "managers", employees (including temporary or leased employees), directors, trustees, or authorized representatives, whether acting alone or in collusion with each other or with any other party; or theft by any person to whom you entrust the property for any purpose, whether acting alone or in collusion with any other party.

This exclusion:

- (1) Applies whether or not an act occurs during your normal hours of operation;
- (2) Does not apply to acts of destruction by your employees (including temporary or leased employees) or authorized representatives; but theft by your employees (including temporary or leased employees) or authorized representatives is not covered.

With respect to Covered Property,



including accounts receivable and "valuable papers and records", this exclusion does not apply to carriers for hire.

This exclusion does not apply to coverage that is provided under the Employee Dishonesty Optional Coverage.

g. False Pretense

Voluntary parting with any property by you or anyone else to whom you have entrusted the property if induced to do so by any fraudulent scheme, trick, device or false pretense.

h. Exposed Property

Rain, snow, ice or sleet to personal property in the open.

i. Collapse

- (1) Collapse, including any of the following conditions of property or any part of the property:
 - (a) An abrupt falling down or caving in;
 - (b) Loss of structural integrity, including separation of parts of the property or property in danger of falling down or caving in; or
 - (c) Any cracking, bulging, sagging, bending, leaning, settling, shrinkage or expansion as such condition relates to paragraph i.(1)(a) or i.(1)(b).

But if collapse results in a Covered Cause of Loss at the described premises, we will pay for the loss or damage caused by that Covered Cause of Loss.

- (2) This Exclusion i. does not apply:
 - (a) To the extent that coverage is provided under the Collapse Additional Coverage; or
 - (b) To collapse caused by one or more of the following:
 - (i) The "specified causes of loss";
 - (ii) Breakage of building glass;
 - (iii) Weight of rain that collects on a roof; or
 - (iv) Weight of people or personal property.

j. Pollutants

We will not pay for loss or damage

caused by or resulting from the discharge, dispersal, seepage, migration, release or escape of "pollutants" unless the discharge, dispersal, seepage, migration, release or escape is itself caused by any of the "specified causes of loss". But if the discharge, dispersal, seepage, migration, release or escape of "pollutants" results in a "specified cause of loss", we will pay for the loss or damage caused by that "specified cause of loss".

k. Neglect

Neglect of an insured to use all reasonable means to save and preserve property from further damage at and after the time of loss.

l. Other Types Of Loss

- (1) Wear and tear;
- (2) Rust or other corrosion, decay, deterioration, hidden or latent defect or any quality in property that causes it to damage or destroy itself;
- (3) Smog;
- (4) Settling, cracking, shrinking or expansion;
- (5) Nesting or infestation, or discharge or release of waste products or secretions, by insects, birds, rodents or other animals;
- (6) Mechanical breakdown, including rupture or bursting caused by centrifugal force, except as provided under the Equipment Breakdown Additional Coverages;
- (7) Growth of tree, shrub or plant roots causing physical damage to any underground property, property foundations, roadways, walks, patios or other paved surfaces;
- (8) The following causes of loss to personal property:
 - (a) Dampness or dryness of atmosphere;
 - (b) Changes in or extremes of temperature;
 - (c) Marring or scratching.

But if an excluded cause of loss that is listed in paragraphs (1) through (8)

above results in a "specified cause of loss", "accident" or building glass breakage, we will pay for the loss or damage caused by that "specified cause of loss", "accident" or building glass breakage.

m. Errors Or Omissions

Errors or omissions in:

- (1) Programming, processing or storing data, as described under "electronic data" or in any "computer" operations; or
- (2) Processing or copying "valuable papers and records".

HOWEVER, we will pay for direct physical loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this coverage form.

This exclusion does not apply to coverage that is provided under the Employee Dishonesty Optional Coverage.

n. Installation, Testing, Repair

Errors or deficiency in design, installation, testing, maintenance, modification or repair of your "computer" system including "electronic data".

HOWEVER, we will pay for direct physical loss or damage caused by resulting fire or explosion if these causes of loss would be covered by this coverage form.

This exclusion does not apply to coverage that is provided under the Employee Dishonesty Optional Coverage.

o. Electrical Disturbance

Electrical or magnetic injury, disturbance or erasure of "electronic data", except as provided under the Equipment Breakdown or Electronic Data Additional Coverages.

HOWEVER, we will pay for direct loss or damage caused by lightning.

p. Leakage or Seepage

Constant or repeated seepage or leakage of water or steam, or the presence or condensation of humidity, moisture or vapor, whether continuous or intermittent from any: Heating, air conditioning or refrigerating system;

- (1) Domestic appliance; or
- (2) Plumbing system, including from

or around any shower stall or other shower bath installation, bathtub or other plumbing fixture.

3. We will not pay for loss or damage caused by or resulting from any of the following B.3.a. through B.3.c. But if an excluded cause of loss that is listed in B.3.a. through B.3.c. results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

a. Weather Conditions

Weather conditions. But this exclusion only applies if weather conditions contribute in any way with a cause or event excluded in paragraph B.1. above to produce the loss or damage.

b. Acts Or Decisions

Acts or decisions, including the failure to act or decide, of any person, group, organization or governmental body.

c. Negligent Work

Faulty, inadequate or defective:

- (1) Planning, zoning, development, surveying, siting; Design, specifications, workmanship, work methods, repair, construction, renovation, remodeling, grading, compaction, failure to protect the property;
- (2) Materials used in repair, construction, renovation or remodeling; or
- (3) Maintenance;

of part or all of any property on or off the described premises.

4. Additional Exclusion

The following applies only to the property specified in this Additional Exclusion.

Loss Or Damage To Products

We will not pay for loss or damage to any merchandise, goods or other product caused by or resulting from error or omission by any person or entity (including those having possession under an arrangement where work or a portion of the work is outsourced) in any stage of the development, production or use of the product, including planning, testing, processing, packaging, installation, maintenance or repair. This exclusion

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applies to any effect that compromises the form, substance or quality of the product. But if such error or omission results in a Covered Cause of Loss, we will pay for the loss or damage caused by that Covered Cause of Loss.

5. Business Income And Extra Expense Exclusions

- a. We will not pay for:
 - (1) Any "extra expense", or increase of "business income" loss, caused by or resulting from:
 - (a) Delay in rebuilding, repairing or replacing the property or resuming "operations", due to interference at the location of the rebuilding, repair or replacement by strikers or other persons; or
 - (b) Suspension, lapse or cancellation of any license, lease or contract. But if the suspension, lapse or cancellation is directly caused by the suspension of "operations", we will cover such loss that affects your Business Income during the "period of restoration" and any extension of the "period of restoration" in accordance with the terms of the Extended Business Income Additional Coverage.
 - (2) Any other consequential loss.
- b. With respect to this exclusion, suspension means:
 - (1) The partial slowdown or complete cessation of your business activities; and
 - (2) That a part or all of the described premises is rendered untenable, if coverage for Business Income applies.

6. Accounts Receivable Exclusion

The following additional exclusion applies to the Accounts Receivable Coverage Extension:

We will not pay for:

- a. Loss or damage caused by or resulting from alteration, falsification, concealment or destruction of records of accounts receivable done to conceal the wrongful giving, taking or withholding of "money",

"securities" or other property.

This exclusion applies only to the extent of the wrongful giving, taking or withholding.

- b. Loss or damage caused by or resulting from bookkeeping, accounting or billing errors or omissions.
- c. Any loss or damage that requires any audit of records or any inventory computation to prove its factual existence.

C. LIMITS OF INSURANCE

1. The most we will pay for loss or damage in any one occurrence is the applicable Limits of Insurance shown in the Declarations, except as otherwise provided in this Section.
2. At a described premises, if a Limit of Insurance is shown in the Declarations for Tenant Improvements and Betterments, that limit is separate from the Limit of Insurance shown for Business Personal Property and the Limit of Insurance applicable to Business Personal Property does not apply to Tenant Improvements and Betterments.
3. The limits applicable to Additional Coverages are in addition to the Limits of Insurance only if so indicated in that Section of this Coverage Form.
4. The limits applicable to the Coverage Extensions are in addition to the Limits of Insurance.
5. **Building Limit – Automatic Increase**
 - a. The Limit of Insurance for Buildings will automatically increase by the annual percentage shown in the Declarations.
 - b. The amount of increase is calculated as follows:
 - (1) The Building limit that applied on the most recent of the policy inception date, the policy anniversary date, or any other policy change amending the Building limit, times
 - (2) The percentage of annual increase shown in the Declarations, expressed as a decimal (example: 8% is .08), times

- (3) The number of days since the beginning of the current policy year, or the effective date of the most recent policy change amending the Building limit, divided by 365.

Example:

If: The applicable Building limit is \$100,000; and

The annual percentage increase is 8%; and

The number of days since the beginning of the policy year (or last policy change) is 146;

Then the amount of increase is:

$$\$100,000 \times .08 \times (146 / 365) = \$3,200.$$

- c. The Automatic Increase percentage for Buildings will be the percentage shown in the Declarations. This percentage may change at each renewal date, unless a different percentage is selected by you.

6. Business Personal Property Limit – Automatic Increase

- a. The Limit of Insurance for Business Personal Property will automatically increase by the annual percentage shown in the Declarations.
- b. The amount of increase is calculated as follows:
 - (1) Multiply the Limit of Insurance that applied on the most recent of the policy inception date, the policy renewal date, or any other policy change amending the Limit of Insurance, times
 - (2) The percentage of increase shown in the Declarations, expressed as a decimal (example: 2% is .02), times
 - (3) The number of days since the beginning of the current policy year, or since the effective date of the most recent policy change amending the Business Personal Property limit, divided by 365.

Example:

If: The applicable limit is \$150,000; and

The annual percentage increase is 3%; and

The number of days since the beginning of the policy year (or last policy change) is 146;

Then the amount of increase is:

$$\$150,000 \times .03 \times (146 / 365) = \$1,800.$$

- c. The Automatic Increase percentage for Business Personal Property will be the average annual Index shown in the Declarations. This percentage may change at each renewal date.

In no event will the Limit of Insurance be reduced unless you specifically request us to do so.

7. Business Personal Property Limit – Seasonal Increase

- a. Subject to paragraph 7.b., the Limit of Insurance for Business Personal Property is automatically increased by 25% to provide for seasonal variations.
- b. The increase described in paragraph 6.a. will apply only if the Limit of Insurance shown for Business Personal Property in the Declarations is at least 100% of your average monthly values during the lesser of:
 - (1) The 12 months immediately preceding the date the loss or damage occurs; or
 - (2) The period of time you have been in business as of the date the loss or damage occurs.

D. DEDUCTIBLES

1. We will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Declarations. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance of Section I – Property. If one occurrence results in loss or damage at more than one location, the Deductible will apply separately to loss or damage at each location that has sustained loss or damage.
2. With respect to the exterior building glass of the location identified in the Declarations, the most we will deduct from any loss or damage to the exterior building glass in any one occurrence is \$250. The exterior building glass

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deductible of \$250 will be utilized for any loss or damage to the exterior building glass regardless of the deductible amount for the scheduled property shown in the policy Declarations.

But this \$250 deductible will not increase the property deductible shown in the Declarations for the scheduled property. This \$250 deductible is in addition to all other deductibles.

Example:

If: The amounts of loss to the damaged property are \$50,000 (building) and \$1,000 (exterior building glass); and

The actual limit of insurance on the damaged property is \$200,000; and

The property deductible shown in the policy declarations is \$1,000.

Based on the example information and the coverage language, the most we will pay for this claim is as follows:

Exterior Glass: \$1,000 (loss amount) - \$250 (exterior glass deductible) = \$750 (amount paid for loss).

Building: \$50,000 (loss amount) - \$750 (remaining deductible amount after the exterior glass deductible) = \$49,250 (amount paid for loss).

The most we will pay for this loss is \$50,000 (\$49,250 + \$750). The portion of the total loss that is not covered due to the application of each deductible documented above is \$1,000 (\$750 + \$250).

3. No deductible applies to the following Additional Coverages:
 - a. Fire Department Service Charge;
 - b. Fire Extinguisher Recharge;
 - c. Business Income;
 - d. Extra Expense;
 - e. Civil Authority; and
 - f. Arson Reward for Conviction.

E. PROPERTY LOSS CONDITIONS

1. Abandonment

There can be no abandonment of any property to us.

2. Appraisal

If you and we disagree on the amount of loss, an appraisal of the loss may take place. However, an appraisal will take place only if both you and we agree, voluntarily, in writing, to have the amount of loss appraised. In this event, each party will select a competent and impartial appraiser and will advise the other party of the name of such appraiser within 20 days.

The two appraisers will select an umpire. If

appraisers cannot agree upon an umpire within 15 days, either may request that selection be made by a judge, from the county where the loss occurred. The appraisers will state separately the amount of loss. If the appraisers submit a written report of an agreement to us, the amount agreed upon will be the amount of loss. If they fail to agree, they will submit their differences to the umpire. A decision agreed to by any two of these parties will set the amount of loss. Each party will:

- a. Pay its chosen appraiser; and
- b. Bear the other expenses of the appraisal and umpire equally.
- c. The appraisers and umpire are only authorized to determine the "actual cash value", replacement cost or cost to repair the property that is the subject of the claim. They are not authorized to determine coverage, exclusions, conditions, forfeiture provisions, conditions precedent, or any other contractual issues that may exist between you and us.

If there is an appraisal, we reserve our right to deny coverage for excluded or non-covered damages.

3. Duties In The Event Of Loss Or Damage

- a. You must see that the following are done in the event of loss of or damage to Covered Property:
 - (1) Notify the police if a law may have been broken.
 - (2) Give us prompt notice of the loss or damage. If loss or damage is caused by or results from hail, the loss must be reported to us within 12 months of the loss event. Include a description of the property involved.
 - (3) As soon as possible, give us a description of how, when and where the loss or damage occurred.
 - (4) Take all reasonable steps to protect the Covered Property from further damage. If feasible, set the damaged property aside and in the best possible order for examination. Also keep a record of your expenses necessary to protect the Covered Property, for consideration in the settlement of the claim. This will not increase the Limit of Insurance.
- HOWEVER, we will not pay for any subsequent loss or damage resulting from a cause of loss that is not a Covered Cause of Loss.

- (5) At our request, give us complete inventories of the damaged and undamaged property. Include quantities, costs, values, amount of loss claimed and a detailed description of each item.
- (6) As often as may be reasonably required, permit us to inspect the damaged property and examine your books and records, including financial records and tax returns.
- Also permit us to take samples of damaged and undamaged property for inspection, testing and analysis, and permit us to make copies from your books and records.
- (7) Send us a signed, sworn proof of loss containing the information we request to investigate the claim. You must do this within 60 days after our request. We will supply you with the necessary forms.
- (8) Cooperate with us in the investigation or settlement of the claim.
- (9) Resume all or part of your "operations" as quickly as possible.
- b. We may examine any insured or their employee under oath, while not in the presence of any other insured or employee, at such times as may be reasonably required, about any matter relating to this insurance or the claim, including an insured's books and records. At our option and expense, any examination under oath may be video or audio taped as well as being recorded by stenographic record. If a written transcript is prepared of the testimony, then at our request your answers under oath must be signed under penalty of perjury.

4. Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- There has been full compliance with all of the terms of this insurance; and
- The action is brought within two years after the date on which the direct physical loss or damage occurred.

5. Loss Payment

In the event of loss or damage covered by this policy:

- At our option, we will either:
 - Pay the value of lost or damaged property as described

in e. below;

- Pay the cost of repairing or replacing the lost or damaged property;
 - Take all or any part of the property at an agreed or appraised value; or
 - Repair, rebuild or replace the property with other property of like kind and quality, subject to b. below.
- b. The cost to repair, rebuild or replace does not include the increased cost attributable to enforcement of, or compliance with, any ordinance or law regulating the construction, use or repair of any property.
- c. We will give notice of our intentions within 30 days after we receive the sworn proof of loss, provided you have complied with all of the conditions set forth in paragraph 3. above.
- d. We will not pay you more than your financial interest in the Covered Property.
- e. Except as provided in (2) through (9) below, we will determine the value of Covered Property as follows:
- At replacement cost without deduction for depreciation, subject to the following:
 - We will pay the cost to repair or replace, after application of the deductible and without deduction for depreciation, but not more than the least of the following amounts, subject to E. 5.b. above:
 - The Limit of Insurance under this policy that applies to the lost or damaged property;
 - The cost to replace, on the same premises, the lost or damaged property with other property:
 - Of comparable material and quality; and
 - Used for the same purpose; or
 - The amount that you actually spend that is necessary to repair or replace the lost or damaged property.
- If a building is rebuilt at a new premises, the cost is limited to

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- the cost which would have been incurred had the building been built at the original premises.
- (b) You may make a claim for loss or damage covered by this insurance on an "actual cash value" basis instead of on a replacement cost basis. In the event you elect to have loss or damage settled on an "actual cash value" basis, you may still make a claim on a replacement cost basis if you notify us of your intent to do so within 180 days after the loss or damage.

- (c) We will not pay on a replacement cost basis for any loss or damage: Until the lost or damaged property is actually repaired or replaced; and

- (i) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage.

HOWEVER, if your loss qualifies for payment on a replacement cost basis and the cost of repair or replacement is \$5,000 or less, we will pay the cost to repair or replace, after application of the deductible and without deduction for depreciation.

- (2) If the "Actual Cash Value – Buildings" option applies, as shown in the Declarations, paragraph (1) above does not apply to Buildings. Instead, we will determine the value of Buildings at "actual cash value".

- (3) The following property at "actual cash value":

- (a) Used or second-hand merchandise held in storage or for sale;
- (b) Property of others, other than leased personal property you have a contractual responsibility to insure, but this property is not covered for more than the amount for which you are liable, plus the cost of labor, materials or services furnished or arranged by you on personal property of others;
- (c) Household contents, except personal property in apartments or rooms

furnished by you as landlord;

- (d) Manuscripts; and
- (e) Works of art, antiques or rare articles, including but not limited to etchings, pictures, statuary, marble, bronzes, porcelain and bric-a-brac.

- (4) Glass at the cost of replacement with safety glazing material if required by law.

- (5) Tenants' Improvements and Betterments at:

- (a) Replacement cost if you make repairs promptly.
- (b) A proportion of your original cost if you do not make repairs

promptly. We will determine the proportionate value as follows:

- (i) Multiply the original cost by the number of days from the loss or damage to the expiration of the lease; and
- (ii) Divide the amount determined in (i) above by the number of days from the installation of improvements to the expiration of the lease.

If your lease contains a renewal option, the expiration of the renewal option period will replace the expiration of the lease in this procedure.

- (c) Nothing if others pay for repairs or replacement.

- (6) Applicable only to Money and Securities Additional Coverage, and Employee Dishonesty Optional Coverage:

- (a) "Money" at its face value and in general circulation; and
- (b) "Securities" at their value at the close of business on the day the loss is discovered.

- (7) Applicable only to Accounts Receivable:
- (a) If you cannot accurately establish the amount of accounts receivable outstanding as of the time of loss or damage, the following method will be used:
 - (i) Determine the total of the average monthly amounts of accounts receivable for the 12 months immediately preceding the month in which the loss or damage occurs; and
 - (ii) Adjust that total for any normal fluctuations in the amount of accounts receivable for the month in which the loss or damage occurred or for any demonstrated variance from the average for that month.
 - (iii) The following will be deducted from the total amount of accounts receivable, however that amount is established: The amount of the accounts for which there is no loss or damage;
 - (iv) The amount of the accounts that you are able to reestablish or collect;
 - (v) An amount to allow for probable bad debts that you are normally unable to collect; and
 - (vi) All unearned interest and service charges.
- (8) "Stock" you have sold but not delivered at the selling price less expenses you otherwise would have had.
- (9) Business Income and Extra Expense:
- (a) We will determine the amount of a "business income" loss based on:
 - (i) The net income of your business before the direct physical loss or damage occurred;
 - (ii) The likely net income of your business if no physical loss

- or damage occurred, but not including any likely increase in net income attributable to an increase in the volume of business as a result of favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses;
- (iii) The operating expenses, including payroll expenses, necessary to resume "operations" with the same quality of service that existed just before the direct physical loss or damage; and
- (iv) Other relevant sources of information, including:
 - i. Financial records and accounting procedures;
 - ii. Bills, invoices and other vouchers; and
 - iii. Deeds, liens and contracts.
- (b) We will determine the amount of "extra expense" based on:
 - (i) All expenses that exceed the normal operating expenses that would have been incurred by "operations" during the "period of restoration" if no direct physical loss or damage occurred. The following will be deducted from the total of such expenses:
 - i. The remaining salvage value of any property bought for temporary use during the "period of restoration", once "operations" are resumed; and
 - ii. Any "extra

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- iii. expense" that is paid for by other insurance;
 - (ii) All necessary expenses that reduce the "business income" loss that otherwise would have been incurred.
- f. Our payment for loss of or damage to property of others will only be for the account of the owners of the property. We may adjust losses with the owners of lost or damaged property if other than you. If we pay the owners, such payments will satisfy your claims against us for the owners' property. We will not pay the owners more than their financial interest in the Covered Property.
- g. We may elect to defend you against suits arising from claims of owners of property. We will do this at our expense.
- h. We will pay for covered loss or damage within 30 days after we receive the sworn proof of loss, provided you have complied with all of the terms of this policy; and
 - (1) We have reached agreement with you on the amount of loss; or
 - (2) An appraisal award has been made.
- i. A party wall is a wall that separates and is common to adjoining buildings that are owned by different parties. In settling covered losses involving a party wall, we will pay a proportion of the loss to the party wall based on your interest in the wall in proportion to the interest of the owner of the adjoining building. However, if you elect to repair or replace your building and the owner of the adjoining building elects not to repair or replace that building, we will pay you the full value of the loss to the party wall, subject to all applicable policy provisions including Limits of Insurance and all other provisions of this Loss Payment Condition. Our payment under the provisions of this paragraph does not alter any right of subrogation we may have against any entity, including the owner or

insurer of the adjoining building, and does not alter the terms of the Transfer Of Rights Of Recovery Against Others To Us Condition in this policy.

6. Recovered Property

If either you or we recover any property after loss settlement, that party must give the other prompt notice. At your option, you may retain the property. But then you must return to us the amount we paid to you for the property.

We will pay recovery expenses and the expenses to repair the recovered property, subject to the Limit of Insurance.

HOWEVER if, at the time of loss, the amount of loss or damage to your property exceeded our Limit of Insurance and your property in excess of the Limit of Insurance was turned over to us, you retain your rights to recovery on such uninsured property. We will return to you a portion of any recovery on that property based upon the proportion of the loss in excess of our Limit of Insurance bears to the total loss.

7. Resumption Of Operations

We will reduce the amount of your:

- a. Loss payable under Business Income Additional Coverage, other than "extra expense", to the extent you can resume your "operations", in whole or in part, by using damaged or undamaged property (including merchandise or stock) at the described premises or elsewhere.
- b. Loss payable under Extra Expense Additional Coverage to the extent you can return "operations" to normal and discontinue such "extra expense".

8. Vacancy

a. Description Of Terms

- (1) As used in this Vacancy Condition, the term building and the term vacant have the meanings set forth in (1)(a) and (1)(b) below:

- (a) When this policy is issued to a tenant, and with respect to that tenant's interest in Covered Property, building means the unit or suite rented or leased to the tenant. Such building is vacant when it does not contain enough business personal property to conduct customary operations.

- (b) When this policy is issued to the owner or general lessee of a building, building means the entire building. Such building is vacant unless at least 31% of its total square footage is:

- (i) Rented to a lessee or sub-lessee and used by the lessee or sub-lessee to conduct its customary operations; and/or
- (ii) Used by the building owner to conduct customary operations.

- (2) Buildings under construction or renovation are not considered vacant.

b. Vacancy Provisions

If the building where loss or damage occurs has been vacant for more than 60 consecutive days before that loss or damage occurs:

- (1) We will not pay for any loss or damage caused by any of the following even if they are Covered Causes of Loss:
 - (a) Vandalism;
 - (b) Sprinkler leakage, unless you have protected the system against freezing;
 - (c) Building glass breakage;
 - (d) Water damage, including damage that is caused by or resulting from freezing;
 - (e) Theft; or
 - (f) Attempted theft.
- (2) With respect to Covered Causes of Loss other than those listed in paragraphs (1)(a) through (1)(f) above, we will reduce the amount we would otherwise pay for the loss or damage by 15%.

F. PROPERTY GENERAL CONDITIONS

The following conditions apply in addition to the COMMON POLICY CONDITIONS.

1. Control Of Property If any person other than you has control of your property after a loss, a breach of these conditions by such a person, beyond your

direction or control, will not be considered a breach of these conditions by you, and it will not affect this insurance.

The breach of any condition of this Coverage Form, other than the Concealment, Misrepresentation or Fraud Common Policy Condition, at any one or more locations will not affect coverage at any locations where, at the time of loss or damage, the breach of condition did not exist.

2. Mortgageholders

- a. The term mortgageholder includes trustee.
- b. We will pay for covered loss of or damage to buildings or structures to each mortgageholder shown in the Declarations in their order of precedence, as interests may appear.
- c. The mortgageholder has the right to receive loss payment even if the mortgageholder has started foreclosure or similar action on the building or structure.
- d. If we deny your claim because of your acts or because you have failed to comply with the terms of this policy, the mortgageholder will still have the right to receive loss payment if the mortgageholder:
 - (1) Pays any premium due under this policy at our request if you have failed to do so;
 - (2) Submits a signed, sworn proof of loss within 60 days after receiving notice from us of your failure to do so; and
 - (3) Has notified us of any change in ownership, occupancy or substantial change in risk known to the mortgageholder.

All of the terms of this policy will then apply directly to the mortgageholder.

- e. If we pay the mortgageholder for any loss or damage and deny payment to you because of your acts or because you have failed to comply with the terms of this policy:
 - (1) The mortgageholder's rights under the mortgage will be transferred to us to the extent of the amount we pay; and
 - (2) The mortgageholder's right to recover the full amount of the mortgageholder's claim will not be impaired.

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At our option, we may pay to the mortgageholder the whole principal on the mortgage plus any accrued interest. In this event, your mortgage and note will be transferred to us and you will pay your remaining mortgage debt to us.

- f. If we cancel this policy, we will give written notice to the mortgageholder at least:
 - (1) 10 days before the effective date of cancellation if we cancel for your nonpayment of premium; or
 - (2) 30 days before the effective date of cancellation if we cancel for any other reason. If we elect not to renew this policy, we will give written notice to the mortgageholder at least 10 days before the expiration date of this policy.

3. No Benefit To Bailee

No person or organization, other than you, having custody of Covered Property will benefit from this insurance.

4. Policy Period, Coverage Territory

Under this form:

- a. We cover loss or damage commencing:
 - (1) During the policy period shown in the Declarations; and
 - (2) Within the coverage territory or, with respect to property in transit, while it is between points in the coverage territory.
- b. The coverage territory is:
 - (1) The United States of America (including its territories and possessions);
 - (2) Puerto Rico; and
 - (3) Canada.

G. OPTIONAL COVERAGES

If shown as applicable in the Declarations, the following Optional Coverages also apply. These Optional Coverages are subject to the terms and conditions applicable to property coverage in this policy, except as provided below.

1. Employee Dishonesty Optional Coverage

a. We will pay for:

- (1) Direct loss of or damage to Business Personal Property and "money" and "securities";
- (2) The legal obligation you have because of the theft or unauthorized use of your business credit, debit or charge cards issued to you or registered in your name or the name of your business;
- (3) Loss resulting from "fraudulent instruction" directing a financial institution to transfer, pay or deliver "money" or "securities" from your "transfer account"; or
- (4) Loss directly related to the use of any computer to fraudulently cause a transfer of covered property from inside the described premises to a person (other than a messenger) or place outside those premises;

resulting from dishonest acts committed by any of your employees acting alone or in collusion with other persons (except you, your partner or an officer of a closely held corporation) with the manifest intent to:

- (1) Cause you to sustain loss or damage; and also
- (2) Obtain financial benefit (other than salaries, commissions, fees, bonuses, promotions, awards, profit sharing, pensions or other employee benefits earned in the normal course of employment) for:
 - (a) Any employee; or
 - (b) Any other person or organization.

b. We will not pay for loss or damage:

- (1) Resulting from any dishonest or criminal act that you, any of your partners, "members" or any officer of a closely held corporation commit whether acting alone or in collusion with other persons.

(2) Resulting from any dishonest act committed by any of your employees(except as provided in paragraph a.), "managers" or directors:

- (a) Whether acting alone or in collusion with other persons; or
- (b) While performing services for you or otherwise.

(3) The only proof of which as to its existence or amount is:

- (a) An inventory computation; or
- (b) A profit and loss computation.

c. The most we will pay for loss or damage in any one occurrence is the Limit of Insurance for Employee Dishonesty shown in the Declarations.

d. All loss or damage:

- (1) Caused by one or more persons; or
- (2) Involving a single act or series of facts;

is considered one occurrence.

e. If any loss is covered:

- (1) Partly by this insurance; and
- (2) Partly by any prior cancelled or terminated insurance that we or any affiliate had issued to you or any predecessor in interest;

the most we will pay is the larger of the amount recoverable under this insurance or the prior insurance.

We will pay only for loss or damage you sustain through acts committed or events occurring during the policy period.

Regardless of the number of years this policy remains in force or the number of premiums paid and regardless that previous policies were in effect, whether issued by us, any affiliated company or any other company, this coverage shall not be cumulative from year to year or period to period.

f. This Employee Dishonesty Optional Coverage is cancelled as to any employee immediately upon discovery by:

- (1) You; or
- (2) Any of your partners, "members", "managers", officers or directors not in collusion with the employee;

of any dishonest act committed by

that employee before or after being hired by you.

g. We will pay only for covered loss or damage sustained during the policy period and discovered no later than one year from the end of the policy period.

h. If you (or any predecessor in interest) sustained loss or damage during the period of any prior insurance that you could have recovered under that insurance except that the time within which to discover loss or damage had expired, we will pay for it under this Optional Coverage, provided:

(1) This Optional Coverage became effective at the time of cancellation or termination of the prior insurance; and

(2) The loss or damage would have been covered by this Optional Coverage had it been in effect when the acts or events causing the loss or damage were committed or occurred.

i. The insurance under paragraph h. above is part of, not in addition to, the Limit of Insurance applying to this Optional Coverage and is limited to the lesser of the amount recoverable under:

(1) This Optional Coverage as of its effective date; or

(2) The prior insurance had it remained in effect.

j. With respect to the Employee Dishonesty Optional Coverage in paragraph G.1., employee means:

(1) Any natural person:

(a) While in your service and for the first 30 days immediately after termination of service unless such termination is due to "theft" or any other dishonest act committed by the "employee";

(b) Whom you compensate directly by salary, wages or commissions; and

(c) Whom you have the right to direct and control while performing services for you;

(2) Any natural person who is furnished temporarily to you:

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- (a) To substitute for a permanent "employee" as defined in paragraph 1.j.(1), who is on leave; or
- (b) To meet seasonal or short-term workload conditions; while that person is subject to your direction and control and performing services for you.
- (3) Any natural person who is leased to you under a written agreement between you and a labor leasing firm, to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in paragraph 1.j.(2);
- (4) Any natural person who is a former employee, partner, "member", "manager", director or trustee by you retained as a consultant while performing services for you; or
- (5) Any natural person who is a guest student or intern pursuing studies or duties, or
- (6) Any natural person who is your "manager", director or trustee while;
 - (a) Performing acts within the scope of the usual duties of an employee; or
 - (b) Acting as a member of any committee duly elected or appointed by resolution of or board of directors or board of trustees to perform specific, as distinguished from general, directional acts on your behalf.

But employee does not mean:

- (1) any agent, broker, factor, commission merchant, consignee, independent contractor or representative of the same general character not specified in paragraph 3.j.
- k. If either you or we recover any property, with respect to covered loss or damage to property under this Optional Coverage, that party must give the other party prompt notice of such recovery. Any such recovery shall be applied, net of the expense of such recovery, as follows:
 - (1) First, to you in satisfaction of your

covered loss or damage in excess of the amount paid under this Optional Coverage;

- (2) Second, to us in satisfaction of the amount paid in loss settlement under this Optional Coverage;
- (3) Third, to you in satisfaction of any applicable Deductible; and
- (4) Fourth, to you in satisfaction of any loss or damage to such property not covered under this Optional Coverage.

Recoveries do not include any recovery:

- (a) From insurance, suretyship, reinsurance, security or indemnity taken for our benefit; or
- (b) Of original "securities" after duplicates of them have been issued.

With respect to this Optional Coverage, paragraph E.6. Recovered Property Loss Condition of Section I – Property does not apply.

2. Ordinance or Law Optional Coverages

- a. The Coverage(s) provided by this Ordinance or Law Optional Coverage applies with respect to an ordinance or law that regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises, subject to the following:
 - (1) The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy.
 - (2) Coverage provided by this Ordinance Or Law Optional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended

actions or standards that exceed actual requirements are not covered.

- (3) Coverage provided by this Ordinance Or Law Optional Coverage applies only if:
- (a) The building sustains only direct physical damage that is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or
 - (b) The building sustains both direct physical damage that is covered under this policy and direct physical damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with the ordinance or law.

However, there is no coverage under this policy if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, even if the building has also sustained covered direct physical damage.

- (4) If coverage applies under this policy based on the terms of Paragraph (3)(b), we will not pay the full amount of loss otherwise payable under the terms of this Ordinance or Law Optional Coverage. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph f. of this Ordinance or Law Optional Coverage provides an example of this procedure.) HOWEVER, if the covered direct physical damage alone would have resulted in enforcement of, or compliance with, the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of this Ordinance or Law Optional Coverage.

- (5) We will not pay under this Ordinance Or Law Optional Coverage for any loss in value or any cost incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if

you failed to comply.

b. Coverage 1 - Loss to the Undamaged Portion of Building

When the Declarations show that Ordinance or Law - Coverage 1 applies at a described building and if a Covered Cause of Loss occurs to covered Building property, we will pay for the loss in value of the undamaged portion of the building as a consequence of enforcement of or compliance with an ordinance or law that requires demolition of undamaged parts of the same building.

This Coverage 1 of Ordinance or Law Optional Coverage is included within the Limit of Insurance applicable to such buildings as shown in the Declarations or addressed somewhere in this policy. This portion of the Ordinance or Law Optional Coverage does not increase the Limit of Insurance.

c. Coverage 2 - Demolition Cost and Broadened Increased Cost of Construction

When the Declarations show that Ordinance or Law - Coverage 2 applies at a described building and if a Covered Cause of Loss occurs to covered Building property:

- (1) We will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of enforcement of, or compliance with, an ordinance or law that requires demolition of such undamaged property; and
- (2) We will pay the increased cost to repair or reconstruct damaged portions of the building; and/or reconstruct or remodel undamaged portions of that building, whether or not demolition is required when the increased cost is a consequence of enforcement or compliance with the minimum requirements of the ordinance or law. HOWEVER, we will not pay for the increased costs to reconstruct or remodel undamaged portions of that Building property:
 - Unless the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law; or
 - If the building is not repaired, reconstructed or remodeled.

Paragraph e. of 5. Loss Payment under Section E. PROPERTY LOSS CONDITIONS does not apply.

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The most we will pay for the total of all covered losses under this Coverage 2 of Ordinance or Law Optional Coverage, in any one occurrence is the Limit of Insurance shown in the Declarations.

The \$25,000 Limit of Insurance for Increased Cost of Construction – Damaged Property Additional Coverage remains available for damaged property and is separate from the Limit of Insurance shown in the Declarations for Ordinance or Law Optional Coverage 2. This portion of the Ordinance or Law Optional Coverage is in addition to the Limits of Insurance.

d. Additional Terms and Conditions of Ordinance or Law

- (1) The terms of this Ordinance or Law Optional Coverage apply separately to each building to which this Optional Coverage applies.
- (2) With respect to this Ordinance or Law Optional Coverage, we will not pay for:
 - (a) Enforcement of, or compliance with, any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation, spread of any activity of "fungi", wet or dry rot or bacteria; or
 - (b) The costs associated with the enforcement of or compliance with any ordinance, law, rule, or regulation which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rotor bacteria.
- (3) Under this Ordinance or Law Optional Coverage, we will not pay for loss due to any ordinance or law that:
 - (a) You were required to comply with before the loss, even if the building was undamaged; and
 - (b) You failed to comply with.
- (4) **Loss Payment**
 - (a) When Coverage 1 applies, loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - (i) If the property is repaired or replaced, on the same or another premises, we will not pay more

than the lesser of:

- i The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same described premises and to the same height, floor area, style and comparable quality of the original property insured; or
 - ii The Limit of Insurance applicable to the covered Building property.
- (ii) If such building is not repaired or replaced, we will not pay more than the lesser of:
- i The "actual cash value" of the building at the time of loss; or
 - ii The Limit of Insurance applicable to the covered Building property.
- (b) When Coverage 2 applies, the most we will pay for the total of all covered losses for Demolition Cost and Broadened Increased Cost of Construction is the Limit of Insurance for Coverage 2. Subject to this Limit of Insurance, the following loss payment provisions apply:
- (i) For Demolition Cost, we will not pay more than the amount you actually spend to demolish and clear the site of the described building.
 - (ii) With respect to Broadened Increased Cost of Construction:
 - i We will not pay for the increased cost of construction until the property is actually repaired or replaced, at the same or another premises; and
 - ii Unless the repairs or

replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.

- (iii) If the building is repaired or replaced at the same described premises, or if you elect to rebuild at another premises, the most we will pay under Coverage 2 is the increased cost of construction at the same described premises.
- (iv) If the ordinance or law requires relocation to another premises, the most we will pay under Coverage 2 is the increased cost of construction at the new premises.
- e. This Ordinance or Law Optional Coverage is not subject to the terms of the Ordinance or Law Exclusion, to the extent that such exclusion would conflict with the provisions of this Optional Coverage.
- f. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section a.(3) of this Ordinance or Law Optional Coverage).

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 2 of this

endorsement:
\$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$\$30,000 \text{ divided by } \$100,000 = .30$

Step 2: Apply that proportion to the Ordinance or Law loss.

$\$60,000 \times .30 = \$18,000$

In this example, the most we will pay under this endorsement for the Coverage 2 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 of this endorsement.

3. Optional Amendment of Coverage -Exclude Theft

When "Excluding Theft" is stated in the Declarations after Business Personal Property coverage, then under:

- a. Paragraph 3. of Section B. EXCLUSIONS, the following exclusion is added:

Theft

Theft or attempted theft resulting in loss of or damage to Business Personal Property.

- b. The Money and Securities Additional Coverage, paragraph (1)(a) is deleted.

H. PROPERTY DEFINITIONS

The terms "you", "your", "we", "us", "our" and "insured" are defined in the Preamble of this Coverage Form. The following words or phrases, which appear in quotation marks throughout this Coverage Form and any of its endorsements, are defined as follows:

- 1. **"Accident"** means a fortuitous event that causes direct physical damage to "covered equipment". The event must be one of the following:
 - a. Mechanical breakdown, including rupture or bursting caused by centrifugal force;
 - b. Artificially generated electrical, magnetic or electromagnetic energy, including electric arcing, that damages, disturbs, disrupts or otherwise interferes with any

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- electrical or electronic wire, device, appliance, system or network;
 - c. Explosion of steam boilers, steam pipes, steam engines or steam turbines owned or leased by you, or operated under your control;
 - d. Loss of or damage to steam boilers, steam pipes, steam engines or steam turbines caused by or resulting from any condition or event inside such equipment; or
 - e. Loss or damage to hot water boilers or other water heating equipment caused by or resulting from any condition or event inside such boilers or equipment.
2. **"Actual Cash Value"** means the cost to repair or replace Covered Property, at the time of loss or damage, whether that property has sustained partial or total loss or damage, with material of like kind and quality, subject to a deduction for deterioration, depreciation and obsolescence.
3. **"Business Income"** means the:
- a. Net Income (Net Profit or Loss before income taxes) that would have been earned or incurred if no physical loss or damage had occurred, but not including any Net Income that would likely have been earned as a result of an increase in the volume of business due to favorable business conditions caused by the impact of the Covered Cause of Loss on customers or on other businesses; plus
 - b. Necessary continuing normal operating expenses incurred, while "operations" are suspended, including payroll.
4. **"Computer"** means:
- a. Programmable electronic equipment that is used to store, retrieve and process data; and
 - b. Associated peripheral equipment that provides communication, including input and output functions such as printing and auxiliary functions such as data transmission.
- "Computer" includes those used to operate production type machinery or equipment.
5. **"Counterfeit money"** means an imitation of "money" that is intended to deceive and to be taken as genuine.
6. **"Covered equipment"** means

Covered Property:

- a. That generates, transmits or utilizes energy, including electronic communications and data processing equipment; or
- b. Which, during normal usage, operates under vacuum or pressure, other than the weight of its contents.

None of the following is "covered equipment":

- a. Structure, foundation, cabinet, compartment or air supported structure or building;
 - b. Insulating or refractory material;
 - c. Sewer piping, underground vessels or piping, piping forming a part of a sprinkler system or water piping other than boiler feed water piping, boiler condensate return piping or water piping forming a part of a refrigerating or air conditioning system;
 - d. Dragline, excavation or construction equipment;
 - e. Equipment manufactured by you for sale; or
 - f. Vehicle, aircraft or floating vessel or any equipment mounted on such vehicle, aircraft or floating vessel. However, any property that is stationary, permanently installed at a covered location and that receives electrical power from an external power supplier will not be considered a vehicle, aircraft or floating vessel.
7. **"Dependent property"** means property owned or operated by others, not including any described premises, on whom you depend on to:
- a. Deliver materials or services to you, or to others for your account. Services does not include water supply services, water removal services, steam, fuel, communication, or power supply services.
 - b. Purchase your products or services.
 - c. Manufacture products for delivery to your customers under contract of sale.
 - d. Attract customers to your business. But this does not include firms in the business of promoting or advertising your business.

The "Dependent property" must be located in the coverage territory of this policy.

HOWEVER, "Dependent property" does not mean any property owned or operated by others on whom you depend on to provide internet services; web hosting services; internet hosting services; space on any server, computer, computer system, or other similar equipment; web pages; social media or networking services; or similar services.

8. **"Electronic data"** means information, facts or "computer" programs stored as or on, created or used on, or transmitted to or from "computer" software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of "computer" software which are used with electronically controlled equipment. The term "computer" programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a "computer" or device connected to it, which enable the "computer" or device to receive, process, store, retrieve or send data.
9. **"Extra Expense"** means expense incurred:
 - a. To avoid or minimize the suspension of business and to continue "operations":
 - (1) At the described premises; or
 - (2) At replacement premises or at temporary locations, including relocation expenses and costs to equip and operate the replacement or temporary locations.
 - b. To minimize the suspension of business if you cannot continue "operations".
 - c. To:
 - (1) Repair or replace any property; or
 - (2) Research, replace or restore the lost information on damaged "valuable papers and records"; to the extent it reduces the amount of loss that otherwise would have been payable under the Extra Expense Additional Coverage or the Business Income Additional Coverage.
- 10 **"Fraudulent instruction"** means:
 - a. An electronic, telegraphic, cable, teletype, telefacsimile or telephone instruction which purports to have been transmitted by you, but which was in fact fraudulently transmitted by

someone else without your knowledge or consent;

- b. A written instruction (other than those described in Paragraph A.5.k.) issued by you, which was forged or altered by someone other than you without your knowledge or consent or which purports to have been issued by you, but was in fact fraudulently issued without your knowledge or consent; or
11. **"Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or by-products produced or released by fungi.
12. **"Hazardous substance"** means any substance other than ammonia that has been declared to be hazardous to health by a governmental agency.
13. **"Manager"** means a person serving in a directorial capacity for a limited liability company.
14. **"Member"** means an owner of a limited liability company represented by its membership interest, who also may serve as a "manager".
15. **"Money"** means:
 - a. Currency, coins and bank notes whether or not in current use and having a face value; and
 - b. Travelers checks, register checks and money orders held for sale to the public.
16. **"Operations"** mean your business activities occurring at the described premises.
17. **"Ordinary payroll expenses"** mean payroll expenses for all your employees except:
 - a. Officers;
 - b. Executives;
 - c. Department Managers;
 - d. Employees under contract; and
 - e. Additional Exemptions shown in the Declarations as:
 - (1) Job Classifications; or
 - (2) Employees.

Ordinary payroll expenses include:

 - a. Payroll;
 - b. Employee benefits, if directly related to payroll;
 - c. FICA payments you pay;
 - d. Union dues you pay; and
 - e. Workers' compensation premiums.

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18. "Period of restoration" means:

- a. For other than the Dependent Properties
 - Business Income Additional Coverage and Business Income and Extra Expense
 - Increased Period of Restoration Due to Ordinance or Law Coverage Extension:

(1) The period of time that:

- (a) Begins the number of hours shown in the Declarations after the time of direct physical loss or damage caused by or resulting from any Covered Cause of Loss at the described premises; and

(b) Ends on the earlier of:

- (i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (ii) The date when business is resumed at a new permanent location.

(2) "Period of restoration" does not include any increased period required due to the enforcement of, or compliance with, any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

(3) The expiration date of this policy will not cut short the "period of restoration".

- b. For Business Income and Extra Expense
 - Increased Period of Restoration Due to Ordinance or Law Coverage Extension:

(1) The period of time that:

- (i) Begins: At the time of direct physical loss or damage for Business Income Additional Coverage; or
- (ii) Immediately after the time

of direct physical loss or damage for Extra Expense Additional Coverage;

caused by or resulting from any Covered Cause of Loss at the described premises; and

(b) Ends on the earlier of:

- (i) The date when the property at the described premises should be repaired, rebuilt or replaced with reasonable speed and similar quality; or
- (ii) The date when business is resumed at a new permanent location.

(2) "Period of restoration" includes any increased period required to repair or reconstruct the property to conform with the minimum standards or any ordinance or law, in force at the time of loss, that regulates the construction or repair, or requires the tearing down of any property.

(3) The expiration date of this policy will not cut short the "period of restoration".

- c. For Dependent Properties Additional Coverage:

(1) The period of time that:

(a) Begins:

24 hours after the time of direct physical loss or damage for Business Income Additional Coverage caused by or resulting from any Covered Cause of Loss at the premises of the "dependent property"; and

(b) Ends on the earlier of:

- (i) The date when the property at the premises of the "dependent property" should be repaired, rebuilt or replaced with reasonable speed and similar quality; or

(ii) The date when your business resumed at a permanent new location.

(2) "Period of restoration" does not include any increased period required due to the enforcement of, or compliance with, any ordinance or law that:

- (a) Regulates the construction, use or repair, or requires the tearing down of any property; or
- (b) Requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of "pollutants".

(3) The expiration date of this policy will not cut short the "period of restoration".

19. **"Perishable goods"** mean personal property maintained under controlled conditions for its preservation, and susceptible to loss or damage if the controlled conditions change.

20. **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, petroleum products and their derivatives, chemicals and waste. Such irritants or contaminants are "pollutants" whether or not they have any function in your business, operations, premises, sites or locations.

Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed and livestock, poultry or other animal excrement.

21. **"Secondary dependent property"** means an entity which is not owned or operated by a Dependent property and which:

- a. Delivers materials or services to a dependent property, which in turn are used by the Dependent property in providing materials or services to you; or
- b. Accepts materials or services from a Dependent property, which in turn accepts your

materials or services.

A road, bridge, tunnel, waterway, airfield, pipeline or any other similar area or structure is not a Secondary dependent property.

Any property which delivers any of the following services is not a Secondary dependent property with respect to such services:

- (i) Water supply services;
- (ii) Wastewater removal services;
- (iii) Communication supply services; or
- (iv) Power supply services. The

Secondary dependent property must be located in the coverage territory of this policy:

HOWEVER, "Secondary Dependent Property" does not mean any property owned or operated by others on whom you depend on to provide internet services; web hosting services; internet hosting services; space on any server, computer, computer system, or other similar equipment; web pages; social media or networking services; or similar services.

22. **"Securities"** mean negotiable and non-negotiable instruments or contracts representing either "money" or other property and includes:

- a. Tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) whether or not in current use; and
- b. Evidences of debt issued in connection with credit or charge cards, which cards are not issued by you;

but does not include "money" or lottery tickets held for sale.

23. **"Specified Causes of Loss"** means the following:

Fire; lightning; explosion, windstorm or hail; smoke; aircraft or vehicles; riot or civil commotion; vandalism; leakage from fire extinguishing equipment; sinkhole collapse; volcanic action; falling objects; weight of snow, ice or sleet; water damage.

- a. Sinkhole collapse means the sudden sinking or collapse of land into underground empty spaces created by the action of water on limestone or dolomite. This cause of loss does not include:

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- (1) The cost of filling sinkholes; or
- (2) Sinking or collapse of land into man-made underground cavities.
- b. Falling objects does not include loss of or damage to:
 - (1) Personal property in the open; or
 - (2) The interior of a building or structure, or property inside a building or structure, unless the roof or an outside wall of the building or structure is first damaged by a falling object.
- c. Water damage means:
 - (1) Accidental discharge or leakage of water or steam as the direct result of the breaking apart or cracking of any part of a system or appliance (other than a sump system including its related equipment and parts) containing water or steam; and
 - (2) Accidental discharge or leakage of water or waterborne material as the direct result of the breaking apart or cracking of a water or sewer pipe caused by wear and tear, when the pipe is located off the described premises and is connected to or is part of a potable water supply system or sanitary sewer system, operated by a public or private utility service provided pursuant to authority granted by the state or governmental subdivision where the described premises are located.

But water damage does not include loss or damage otherwise excluded under the terms of the Water Exclusion. Therefore, for example, there is no coverage in the situation in which discharge or leakage of water results from the breaking apart or cracking of a pipe which was caused by or related to weather-induced flooding, even if wear and tear contributed to the breakage or cracking. As another example, and

also in accordance with the terms of the Water Exclusion, there is no coverage for loss or damage caused by or related to weather-induced flooding which follows or is exacerbated by pipe breakage or cracking attributable to wear and tear.

To the extent that accidental discharge or leakage of water falls within the criteria set forth in c.(1) or c.(2) of this definition of "specified causes of loss", such water is not subject to the provisions of the Water Exclusion which preclude coverage for surface water or water under the ground surface.

- 24. **"Stock"** means merchandise held in storage or for sale, raw materials and in-process or finished goods, including supplies used in their packing or shipping.
- 25. **"Transfer account"** means an account maintained by you at a financial institution from which you can initiate the transfer, payment or delivery of "money" and "securities":
 - a. By means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly through an electronic funds transfer system; or
 - b. By means of written instructions (other than those described in Paragraph A.5.k.) establishing the conditions under which such transfers are to be initiated by such financial institution through an electronic funds transfer system.
- 26. **"Valuable papers and records"** mean inscribed, printed, or written:
 - a. Documents;
 - b. Manuscripts; and
 - c. Records;
 including abstracts, books, deeds, drawings, films, maps or mortgages. HOWEVER, "valuable papers and records" does not mean "money" or "securities".

All terms and conditions of this policy apply unless modified by this endorsement.

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

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PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

Various provisions in this policy restrict coverage. Please read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this policy. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under Section II. WHO IS AN INSURED. Other words and phrases that appear in quotation marks have special meaning. Please refer to Section V. DEFINITIONS.

I. COVERAGES

A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY

1. INSURING AGREEMENT

- a. We will pay those sums up to the applicable Limit of Insurance that the insured becomes legally obligated to pay as damages because of "bodily injury" or "property damage" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages for which there is coverage under this policy.

HOWEVER, we will have no duty to defend the insured against any "suit" seeking damages for "bodily injury" or "property damage" to which this insurance does not apply.

We may, at our discretion, investigate any "occurrence" and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III. LIMITS OF INSURANCE; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under COVERAGES A or B or medical expenses under COVERAGE C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

- b. This insurance applies to "bodily injury" and "property damage" only if:
 - (1) The "bodily injury" or "property damage" is caused by an "occurrence" that takes place in the "coverage territory"; and

- (2) The "bodily injury" or "property damage" occurs during the policy period; and
- (3) Prior to the policy period, no insured listed under Paragraph 1. of Section II. WHO IS AN INSURED and no "employee" authorized by you to give or receive notice of an "occurrence" or claim, knew that the "bodily injury" or "property damage" had occurred, in whole or in part. If such a listed insured or authorized "employee" knew, prior to the policy period, that the "bodily injury" or "property damage" occurred, then any continuation, change or resumption of such "bodily injury" or "property damage" during or after the policy period will be deemed to have been known prior to the policy period.

- c. "Bodily injury" or "property damage" which occurs during the policy period and was not, prior to the policy period, known to have occurred by any insured listed under Paragraph 1. of Section II. WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim, includes any continuation, change or resumption of that "bodily injury" or "property damage" after the end of the policy period.

- d. "Bodily injury" or "property damage" will be deemed to have been known to have occurred at the earliest time when any insured listed under Paragraph 1. of Section II. WHO IS AN INSURED or any "employee" authorized by you to give or receive notice of an "occurrence" or claim:

- (1) Reports all, or any part, of the "bodily injury" or "property damage" to us or any other insurer;

- (2) Receives a written or verbal demand or claim for damages because of the "bodily injury" or "property damage"; or
 - (3) Becomes aware by any other means that "bodily injury" or "property damage" has occurred or has begun to occur.
- e. Damages because of "bodily injury" include damages claimed by any person or organization for care, loss of services or death resulting at any time from the "bodily injury".

2. EXCLUSIONS

This insurance, including any duty we have to defend "suits", does not apply to:

a. Expected Or Intended Injury

"Bodily injury" or "property damage" which is expected or intended by the insured.

This exclusion applies even if the resulting "bodily injury" or "property damage":

- (1) Is of a different kind, quality or degree than initially expected or intended; or
- (2) Is sustained by a different person, entity, real property, or personal property than that initially expected or intended.

HOWEVER, this exclusion does not apply to "bodily injury" resulting from the use of reasonable force to protect persons or property.

b. Contractual Liability

"Bodily injury" or "property damage" for which the insured is obligated to pay damages by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for damages:

- (1) That the insured would have in the absence of the contract or agreement; or
- (2) Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be

damages because of "bodily injury" or "property damage", provided:

- (a) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (b) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which damages to which this insurance applies are alleged.

c. Liquor Liability

"Bodily injury" or "property damage" for which any insured may be held liable by reason of:

- (1) Causing or contributing to the intoxication of any person;
- (2) The furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol; or
- (3) Any statute, ordinance or regulation relating to the sale, gift, distribution or use of alcoholic beverages.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in:

- (a) The supervision, hiring, employment, training or monitoring of others by that insured; or
- (b) Providing or failing to provide transportation with respect to any person that may be under the influence of alcohol;

if the "occurrence" which caused the "bodily injury" or "property damage", involved that which is described in Paragraph (1), (2) or (3) above.

This exclusion applies only if you:

- (1) Manufacture, sell or distribute alcoholic beverages;
- (2) Serve or furnish alcoholic beverages for a charge whether or not such activity:
 - (a) Requires a license; or
 - (b) Is for the purpose of financial gain or livelihood; or
- (3) Serve or furnish alcoholic beverages without a charge, if a license is required for such activity.

For the purposes of this exclusion, permitting a person to bring alcoholic

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beverages on your premises, for consumption on your premises, whether or not a fee is charged or a license is required for such activity, is not by itself considered the business of selling, serving or furnishing alcoholic beverages.

d. **Laws**

Any liability or legal obligation of any insured with respect to "bodily injury" or "property damage" arising out of any of the following:

- (1) Any federal, state, county, municipal or local law, ordinance, order, directive or regulation barring discrimination, including but not limited to those based on race, color, national origin, ancestry, citizenship, gender, sexual orientation, marital status, religion or religious belief, age, economic status, income, medical condition, pregnancy, parenthood or mental or physical disability;
- (2) Any workers' compensation, unemployment compensation, disability benefits law, or any other statutory benefits law;
- (3) The Migrant and Seasonal Agricultural Worker Protection Act;
- (4) Any state, federal or governmental antitrust statute or regulation, including but not limited to the Racketeer Influenced and Corrupt Organizations Act (RICO), the Securities Act of 1933, the Securities Exchange Act of 1934, or any state Blue Sky law;
- (5) The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974; or
- (6) Any other similar statutes, ordinances, orders, directives or regulations.

e. **Employer's Liability**

"Bodily injury" to:

- (1) An "employee" of the insured arising out of and in the course of:
 - (a) Employment by the insured; or
 - (b) Performing duties related to the conduct of the insured's business; or
- (2) The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph (1) above.

This exclusion applies:

- (1) Whether the insured may be liable as an employer or in any other capacity; and
- (2) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

f. **Pollution**

- (1) "Bodily injury" or "property damage" arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants":
 - (a) At or from any premises, site or location which is or was at any time owned or occupied by, or rented or loaned to, any insured. HOWEVER, this subparagraph does not apply to:
 - (i) "Bodily injury" if sustained within a building and caused by smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify that building, or equipment that is used to heat water for personal use, by the building's occupants or their guests;
 - (ii) "Bodily injury" or "property damage" for which you may be held liable, if you are a contractor and the owner or lessee of such premises, site or location has been added to your policy as an additional insured with respect to your ongoing operations performed for that additional insured at that premises, site or location and such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any insured, other than that additional insured; or
 - (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire";

- (b) At or from any premises, site or location which is or was at any time used by or for any insured or others for the handling, storage, disposal, processing or treatment of waste;
- (c) Which are or were at any time transported, handled, stored, treated, disposed of, or processed as waste by or for any insured or any person or organization for whom you may be legally responsible; or
- (d) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the "pollutants" are brought on or to the premises, site or location in connection with such operations by such insured, contractor or subcontractor.

HOWEVER, this subparagraph does not apply to:

- (i) "Bodily injury" or "property damage" arising out of the escape of fuels, lubricants or other operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of "mobile equipment" or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them. This exception does not apply if the "bodily injury" or "property damage" arises out of the intentional discharge, dispersal or release of the fuels, lubricants or other operating fluids, or if such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged, dispersed or released as part of the operations being performed by such insured, contractor or subcontractor;

- (ii) "Bodily injury" or "property damage" sustained within a building and caused by the release of gases, fumes or vapors from materials brought into that building in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
- (iii) "Bodily injury" or "property damage" arising out of heat, smoke or fumes from a "hostile fire".

- (e) At or from any premises, site or location on which any insured or any contractors or subcontractors working directly or indirectly on any insured's behalf are performing operations if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants".

- (2) Any loss, cost or expense arising out of any:

- (a) Request, demand, order or statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (b) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

HOWEVER, this paragraph does not apply to liability for damages because of "property damage" that the insured would have in the absence of such request, demand, order or statutory or regulatory requirement, or such claim or "suit" by or on behalf of a governmental authority.

g. Aircraft, Auto Or Watercraft

"Bodily injury" or "property damage" arising out of the ownership, maintenance, use or entrustment to

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others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

HOWEVER, this exclusion does not apply to:

- (1) A watercraft while ashore on premises you own or rent;
- (2) A watercraft you do not own that is:
 - (a) Less than 26 feet long; and
 - (b) Not being used to carry persons or property for a charge;
- (3) Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- (4) Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- (5) "Bodily injury" or "property damage" arising out of:
 - (a) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged; or
 - (b) The operation of any of the equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

h. **Mobile Equipment**

"Bodily injury" or "property damage" arising out of:

- (1) The transportation of "mobile equipment" by an "auto" owned or operated by or rented or loaned to any insured; or
- (2) The use of "mobile equipment" in, or while in practice for, or while being prepared for, any prearranged racing, speed, demolition, or stunting activity.

i. **War**

"Bodily injury" or "property damage", however caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

j. **Damage To Property**

"Property damage" to:

- (1) Property you own, rent, or occupy;
- (2) Premises you sell, give away or abandon, if the "property damage" arises out of any part of those premises;
- (3) Property loaned to you;
- (4) Personal property in the care, custody or control of the insured;
- (5) That particular part of real property on which you or any contractors or subcontractors working directly or indirectly on your behalf are performing operations, if the "property damage" arises out of those operations; or
- (6) That particular part of any property that must be restored, repaired or replaced because "your work" was incorrectly performed on it.

Other than damage by the Covered Causes of Loss provided under Tenants Property Damage Legal Liability, paragraphs (1), (3) and (4) of this exclusion do not apply to

"property damage" to premises, including the contents of such premises, rented to you for a period of 7 or fewer consecutive days. A separate limit of insurance

applies to Tenants Property Damage Legal Liability as described in Section III. LIMITS OF INSURANCE.

Paragraph (2) of this exclusion does not apply if the premises are "your work" and were never occupied, rented or held for rental by you.

Paragraphs (3), (4), (5) and (6) of this exclusion do not apply to liability assumed under a sidetrack agreement.

Paragraph (6) of this exclusion does not apply to "property damage" included in the "products-completed operations hazard".

k. **Damage To Your Product**

"Property damage" to "your product", arising out of it or any part of it.

l. **Damage To Your Work**

"Property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

HOWEVER, this exclusion does not apply if the damaged work, or the work out of which the damage arises, was performed on your behalf by a subcontractor.

m. **Damage To Impaired Property Or Property Not Physically Injured**

"Property damage" to "impaired property" or property that has not been physically injured, arising out of:

- (1) A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- (2) A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

n. **Recall Of Products, Work Or Impaired Property**

Damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- (1) "Your product";
- (2) "Your work"; or
- (3) "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

o. **Personal And Advertising Injury**

"Bodily injury" arising out of "personal and advertising injury".

p. **Bodily Injury To Any Insured**

"Bodily injury" to:

- (1) Any insured, except "volunteer workers"; or
- (2) Any insured whenever the ultimate benefits of any indemnification will accrue directly or indirectly to any insured or the heirs of any insured.

q. **Damage To Named Insured's Property**

Any claim or "suit" for "property damage" by you or on your behalf against any other person or organization that is also a Named Insured under this policy.

r. **Abuse or Molestation**

"Bodily injury" or "property damage" arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or
- (2) The negligent:
 - (a) Employment;
 - (b) Investigation;
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention;
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph (1) above.

s. **Asbestos, Electromagnetic, Lead or Radon**

"Bodily injury" or "property damage" arising out of:

- (1) Asbestos including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the

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presence of asbestos or any other duty involving asbestos;

- (2) Electromagnetic emissions or radiation including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of electromagnetic emissions or radiation or any other duty involving electromagnetic emissions or radiation;
- (3) Lead including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of lead or any other duty involving lead; or
- (4) Radon or any other radioactive emissions, manmade or natural, including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of radon or any other radioactive emissions or any other duty involving radon or other radioactive emissions.

t. Employment Practices

"Bodily injury" to:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person; or
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "bodily injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

u. Fiduciary Responsibility

"Bodily injury" or "property damage" arising out of the ownership, maintenance or use, including all related operations, of property in relation to which you or any insured is acting in any fiduciary or representative capacity. This exclusion does not apply if you are a trust, as described in Section II. WHO IS AN INSURED.

v. Professional Services

"Bodily injury" or "property damage" that arises out of or is a result of the rendering of, or failure to render, any professional service, treatment, advice or instruction. This exclusion includes, but is not limited to, any:

- (1) Legal, accounting, insurance, real estate, financial, advertising or consulting service, advice or instruction;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (3) Supervisory, inspection, engineering, or architectural service, advice or instruction;
- (4) Medical, surgical, psychiatric, chiropractic, chiropody, physiotherapy, osteopathy, acupuncture, dental, x-ray, nursing or any other health service, treatment, advice or instruction;
- (5) Any psychological therapy or any other counseling or mental health service, treatment, advice or instruction;
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or

personal grooming, including but not limited to cosmetology, tonsorial, tattooing, tanning or massage;

- (7) Optometry or optical or hearing aid service, treatment, advice or instruction, including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (8) Ear or other body piercing service, treatment, advice or instruction;
- (9) Service, treatment, advice or instruction in the practice of pharmacy; or
- (10) Electronic data processing, computer consulting or computer programming services, advice or instruction.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the rendering or failure to render of any professional service.

w. **Testing, Evaluating or Consulting**

"Bodily injury" or "property damage" arising out of:

- (1) An error, omission, defect or deficiency:
 - (a) In any test performed, or any evaluation, consultation or advice given by or on behalf of you or any insured; or
 - (b) In experimental data or the insured's interpretation of that data.
- (2) The reporting of or reliance upon any such test, evaluation, consultation or advice.

x. **Recording And Distribution Of Material Or Information In Violation Of Law**

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;

- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

y. **Electronic Data**

Damages arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or computer programs stored as or on, created or used on, or transmitted to or from computer software (including systems and applications software), on hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other repositories of computer software which are used with electronically controlled equipment. The term computer programs, referred to in the foregoing description of electronic data, means a set of related electronic instructions which direct the operations and functions of a computer or device connected to it, which enable the computer or device to receive, process, store, retrieve or send data.

HOWEVER, this exclusion does not apply to liability for damages because of "bodily injury".

z. **Silica, Silica-Related Dust or Talc**

- (1) "Bodily injury" arising, in whole or in part, out of the actual, alleged, threatened or suspected inhalation of, or ingestion of, "silica", "silica-related dust" or "Talc".
- (2) "Property damage" arising, in whole or in part, out of the actual, alleged, threatened or suspected contact with, exposure to, existence of, or presence of, "silica", "silica-related dust" or "Talc".

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- (3) Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica", "silica-related dust" or "Talc", by any insured or by any other person or entity.

aa. Access Or Disclosure Of Confidential Or Personal Material Or Information

"Bodily Injury" and "property damage", other than "personal and advertising injury", arising out of any access to or disclosure of any person's or organization's confidential or personal material or information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometric information, or any other type of nonpublic material or information.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal material or information.

ab. Fungi or Bacteria

- (1) "Bodily injury" or "property damage" which would not have occurred, in whole or in part, but for:
- (a) The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents; or
 - (b) The failure to warn or to disclose the presence of "fungi" or bacteria;
- regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any loss, cost or expenses arising out of the testing for, monitoring, cleaning up, removing, containing, treating,

detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

HOWEVER, this exclusion does not apply to any "fungi" or bacteria that are, are on or are contained in, a good or product intended for bodily digestion.

3. TENANTS PROPERTY DAMAGE LEGAL LIABILITY

Certain Exclusions Not Applicable

Exclusions c. through n., p., q., r., t., u., v. and w. do not apply to "property damage" to premises while rented to you or temporarily occupied by you with permission of the owner, if such "property damage" arises out of a Covered Cause Of Loss provided under the BUSINESSOWNERS PROPERTY COVERAGE FORM. A separate limit of insurance, called Tenants Property Damage Legal Liability Limit, applies to this coverage as described in Section III. LIMITS OF INSURANCE.

B. COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY

1. INSURING AGREEMENT

- a. We will pay those sums up to the applicable Limit of Insurance that the insured becomes legally obligated to pay as damages because of "personal and advertising injury" to which this insurance applies. We will have the right and duty to defend the insured against any "suit" seeking those damages for which there is coverage under this policy.

HOWEVER, we will have no duty to defend the insured against any "suit" seeking damages for "personal and advertising injury" to which this insurance does not apply.

We may, at our discretion, investigate any offense and settle any claim or "suit" that may result. But:

- (1) The amount we will pay for damages is limited as described in Section III. LIMITS OF INSURANCE; and
- (2) Our right and duty to defend end when we have used up the applicable limit of insurance in the payment of judgments or settlements under COVERAGES A or B or medical expenses under COVERAGE C.

No other obligation or liability to pay sums or perform acts or services is covered unless explicitly provided for under SUPPLEMENTARY PAYMENTS – COVERAGES A AND B.

- b. This insurance applies to "personal and advertising injury" caused by an offense arising out of your business but only if the offense was committed in the "coverage territory" during the policy period.

2. EXCLUSIONS

This insurance, including any duty we have to defend "suits", does not apply to personal and advertising injury:

- a. **Knowing Violation Of Rights Of Another**

Caused by or at the direction of the insured with the knowledge that the act would violate the rights of another and would inflict "personal and advertising injury".

- b. **Material Published With Knowledge Of Falsity**

Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity.

- c. **Material Published Prior To Policy Period**

Arising out of oral or written publication of material whose first publication took place before the beginning of the policy period.

- d. **Criminal Act**

Arising out of a criminal act committed by or at the direction of any insured or a criminal act committed by another for which any insured is held to be vicariously liable.

HOWEVER, this exclusion does not apply to "personal injury" resulting from the use of reasonable force to protect persons or property.

- e. **Contractual Liability**

For which the insured has assumed liability in a contract or agreement. HOWEVER, this exclusion does not apply to liability for damages that the insured would have in the absence of the contract or agreement.

- f. **Breach of Contract**

Arising out of a breach of contract, except an implied contract to use another's advertising idea in your "advertisement".

- g. **Quality Or Performance Of Goods – Failure To Conform To Statements**

Arising out of the failure of goods, products or services to conform with any statement of quality or performance made in your "advertisement".

- h. **Wrong Description Of Price**

Arising out of the wrong description of the price of goods, products or services stated in your "advertisement".

- i. **Infringement Of Copyright, Patent, Trademark Or Trade Secret**

Arising out of the infringement of copyright, patent, trademark, trade secret or other intellectual property rights. Under this exclusion, such other intellectual property rights do not include the use of another's advertising idea in your "advertisement."

HOWEVER, this exclusion does not apply to infringement, in your "advertisement", of copyright, trade dress or slogan.

- j. **Insureds In Media And Internet Type Business**

Committed by an insured whose business is:

- (1) Advertising, broadcasting, publishing or telecasting;
- (2) Designing or determining content of web-sites for others; or
- (3) An Internet search, access, content or service provider.

HOWEVER, this exclusion does not apply to Paragraphs a., b. and c. of the definition of "personal and advertising injury" under Section V. DEFINITIONS.

- k. **Electronic Chatrooms Or Bulletin Boards**

Arising out of an electronic chatroom or bulletin board the insured hosts, owns or over which the insured exercises control.

- l. **Unauthorized Use Of Another's Name Or Product**

Arising out of the unauthorized use of another's name or product in your e-mail address, domain name or metatags, or any other similar tactics to mislead another's potential customers.

- m. **Pollution**

Arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of "pollutants" at any time.

- n. **Pollution-Related**

With respect to any loss, cost or expense arising out of any:

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- (1) Request, demand or order that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of, "pollutants"; or
- (2) Claim or "suit" by or on behalf of a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of, "pollutants".

o. War

However caused, arising, directly or indirectly, out of:

- (1) War, including undeclared or civil war;
- (2) Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- (3) Insurrection, rebellion, revolution, usurped power, or action taken by government authority in hindering or defending against any of these.

p. Recording and Distribution Of Material In Violation Of Law

Arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- (1) The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law;
- (2) The CAN-SPAM Act of 2003, including any amendment of or addition to such law;
- (3) The Fair Credit Reporting Act (FCRA), and any amendment of or addition to such law, including the Fair and Accurate Credit Transaction Act (FACTA); or
- (4) Any federal, state or local statute, ordinance or regulation, other than the TCPA, CAN-SPAM Act of 2003 or FCRA and their amendments and additions, that addresses, prohibits or limits the printing, dissemination, disposal, collecting, recording, sending, transmitting, communicating or distribution of material or information.

q. Laws

Any liability or legal obligation of any insured arising out of any of the following:

- (1) Any federal, state, county, municipal or local law, ordinance, order, directive or regulation barring discrimination, including but not limited to those based on race, color, national origin, ancestry, citizenship, gender, sexual orientation, marital status, parenthood, religion or religious belief, age, economic status, income, medical condition, pregnancy, or mental or physical disability;
- (2) Any workers' compensation, unemployment compensation, disability benefits law, or any other statutory benefits law;
- (3) The Migrant and Seasonal Agricultural Worker Protection Act;
- (4) Any state, federal or governmental antitrust statute or regulation, including but not limited to the Racketeer Influenced and Corrupt Organizations Act (RICO), the Securities Act of 1933, the Securities Exchange Act of 1934, or any state Blue Sky law;
- (5) The Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974; or
- (6) Any other similar statutes, ordinances, orders, directives or regulations.

r. Abuse or Molestation

Arising out of:

- (1) The actual or threatened abuse or molestation by anyone of any person while in the care, custody or control of any insured; or
- (2) The negligent:
 - (a) Employment;
 - (b) Investigation;
 - (c) Supervision;
 - (d) Reporting to the proper authorities, or failure to so report; or
 - (e) Retention;
 of a person for whom any insured is or ever was legally responsible and whose conduct would be excluded by Paragraph (1) above.

s. Employment Practices

To:

- (1) A person arising out of any:
 - (a) Refusal to employ that person;
 - (b) Termination of that person's employment; or
 - (c) Employment-related practices, policies, acts or omissions, such as coercion, demotion, evaluation, reassignment, discipline, defamation, harassment, humiliation or discrimination directed at that person.
- (2) The spouse, child, parent, brother or sister of that person as a consequence of "personal and advertising injury" to that person at whom any of the employment-related practices described in Paragraphs (a), (b), or (c) above is directed.

This exclusion applies:

- (1) Whether the injury-causing event described in Paragraphs (a), (b) or (c) above occurs before employment, during employment or after employment of that person;
- (2) Whether the insured may be liable as an employer or in any other capacity; and
- (3) To any obligation to share damages with or repay someone else who must pay damages because of the injury.

t. Asbestos, Electromagnetic, Lead or Radon

Arising out of:

- (1) Asbestos including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of asbestos or any other duty involving asbestos;
- (2) Electromagnetic emissions or radiation including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of electromagnetic emissions or radiation or any other

duty involving electromagnetic emissions or radiation;

- (3) Lead including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of lead or any other duty involving lead; or
- (4) Radon or any other radioactive emissions, manmade or natural, including but not limited to any injury or damage related to, arising or alleged to have arisen out of any use, exposure, existence, detection, removal, elimination, avoidance, act, error, omission, failure to disclose or warn of the presence of radon or any other radioactive emissions or any other duty involving radon or other radioactive emissions.

u. Fiduciary Responsibility

That arises out of the ownership, maintenance or use, including all related operations, of property in relation to which you or any insured is acting in any fiduciary or representative capacity This exclusion does not apply if you are; a trust, as described in Section II. WHO IS AN INSURED.

v. Professional Services

That arises out of or is a result of the rendering of, or failure to render, any professional service, treatment, advice or instruction. This exclusion includes, but is not limited to any:

- (1) Legal, accounting, insurance, real estate, financial, advertising or consulting service, advice or instruction;
- (2) Preparing, approving, or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications;
- (3) Supervisory, inspection, engineering, or architectural service, advice or instruction;
- (4) Medical, surgical, psychiatric, chiropractic, chiropody, physiotherapy, osteopathy, acupuncture, dental, x-ray, nursing or any other health service, treatment, advice or instruction;

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- (5) Any psychological therapy or any other counseling or mental health service, treatment, advice or instruction;
- (6) Any service, treatment, advice or instruction for the purpose of appearance or skin enhancement, hair removal or replacement or personal grooming, including but not limited to cosmetology, tansorial, tattooing, tanning or massage;
- (7) Optometry or optical or hearing aid service, treatment, advice or instruction, including the prescribing, preparation, fitting, demonstration or distribution of ophthalmic lenses and similar products or hearing aid devices;
- (8) Ear or other body piercing service, treatment, advice or instruction;
- (9) Service, treatment, advice or instruction in the practice of pharmacy; or
- (10) Electronic data processing, computer consulting or computer programming services, advice or instruction.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the offense which caused the "personal and advertising injury" involved the rendering or failure to render of any professional service.

w. Testing, Evaluation or Consulting

Arising out of:

- (1) An error, omission, defect or deficiency:
 - (a) In any test performed, or any evaluation, consultation or advice given by or on behalf of you or any insured; or
 - (b) In experimental data or the insured's interpretation of that data.
- (2) The reporting of or reliance upon any such test, evaluation, consultation or advice.

x. Silica, Silica-Related Dust or Talc

"Personal and Advertising Injury" arising, in whole or in part, out of:

- (a) The actual, alleged, threatened or suspected inhalation of, ingestion of,

contact with, exposure to, existence of, or presence of, "silica", "silica-related dust" or "Talc".

- (b) Any loss, cost or expense arising, in whole or in part, out of the abating, testing for, monitoring, cleaning up, removing, containing, treating, detoxifying, neutralizing, remediating or disposing of, or in any way responding to or assessing the effects of, "silica", "silica-related dust" or "Talc" by any insured or by any other person or entity.

y. Access Or Disclosure Of Confidential Or Personal Material Or Information

"Personal and advertising injury" arising out of any access to or disclosure of any person's or organization's confidential or personal material or information, including patents, trade secrets, processing methods, customer lists, financial information, credit card information, health information, biometric information or any other type of nonpublic material or information.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of any access to or disclosure of any person's or organization's confidential or personal material or information.

z. Fungi or Bacteria

- (1) "Personal and advertising injury" which would not have occurred, in whole or in part, but for:
 - (a) The actual, alleged or threatened inhalation of, ingestion of, contact with, exposure to, existence of, or presence of, any "fungi" or bacteria on or within a building or structure, including its contents; or
 - (b) The failure to warn or to disclose the presence of "fungi" or bacteria; regardless of whether any other cause, event, material or product contributed concurrently or in any sequence to such injury or damage.
- (2) Any loss, cost or expenses arising out of the testing for, monitoring, cleaning up, removing, containing, treating,

detoxifying, neutralizing, remediating or disposing of, or in any way responding to, or assessing the effects of, "fungi" or bacteria, by any insured or by any other person or entity.

C. COVERAGE C – MEDICAL PAYMENTS

1. INSURING AGREEMENT

- a. We will pay medical expenses as described below for "bodily injury" caused by an accident:
 - (1) On premises you own or rent;
 - (2) On ways next to premises you own or rent; or
 - (3) Because of your operations; provided that:
 - (a) The accident takes place in the "coverage territory" and during the policy period;
 - (b) The expenses are incurred and reported to us within one year of the date of the accident; and
 - (c) The injured person submits to examination, at our expense, by physicians of our choice as often as we reasonably require.
- b. We will make these payments regardless of fault. These payments will not exceed the applicable limit of insurance. We will pay reasonable expenses for:
 - (1) First aid administered at the time of an accident;
 - (2) Necessary medical, surgical, x-ray and dental services, including prosthetic devices; and
 - (3) Necessary ambulance, hospital, professional nursing and funeral services.

2. EXCLUSIONS

We will not pay expenses for "bodily injury":

- a. **Any Insured**
To any insured, except "volunteer workers".
- b. **Hired Person**
To a person hired to do work for or on behalf of any insured or a tenant of any insured.
- c. **Injury On Normally Occupied Premises**
To a person injured on that part of premises you own or rent that the person normally occupies.

d. Workers Compensation And Similar Laws

To a person, whether or not an "employee" of any insured, if benefits for the "bodily injury" are payable or must be provided under a workers' compensation or disability benefits law or a similar law.

e. Athletic Activities

To a person injured while practicing, instructing or participating in any physical exercises or games, sports or athletic contests.

f. Products-Completed Operations Hazard

Included within the "products-completed operations hazard".

g. Coverage A Exclusions

Excluded under COVERAGE A.

D. SUPPLEMENTARY PAYMENTS – COVERAGES A AND B

1. We will pay, with respect to any claim we investigate or settle, or any "suit" against an insured we defend:
 - a. All expenses we incur.
 - b. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
 - c. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
 - d. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the claim or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
 - e. All court costs taxed against the insured in the "suit". HOWEVER, these payments do not include attorneys' fees or attorneys' expenses taxed against the insured.
 - f. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
 - g. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid,

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offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.

These payments will not reduce the limits of insurance.

2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:

- a. The "suit" against the indemnitee seeks damages for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
- b. This insurance applies to such liability assumed by the insured;
- c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
- d. The allegations in the "suit" and the information we know about the "occurrence" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
- e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
- f. The indemnitee:
 - (1) Agrees in writing to:
 - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
 - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
 - (c) Notify any other insurer whose coverage is available to the indemnitee; and
 - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
 - (2) Provides us with written authorization to:

- (a) Obtain records and other information related to the "suit"; and
- (b) Conduct and control the defense of the indemnitee in such "suit".

So long as the above conditions are met, attorneys' fees incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments. Notwithstanding the provisions of Paragraph 2.b.(2) of Section I. COVERAGE, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, such payments will not be deemed to be damages for "bodily injury" and "property damage" and will not reduce the limits of insurance.

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Supplementary Payments ends when:

- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
- b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

II. WHO IS AN INSURED

1. If you are:
 - a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
 - b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
 - c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
 - d. A trust, you are an insured. Your trustee or co-trustees are also insureds, but only with respect to their duties as a trustee in connection with your property, operations and activities.
 - e. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your

officers or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

HOWEVER, none of these "employees" or "volunteer workers" is an insured for:

- (1) "Bodily injury" or "personal and advertising injury":
 - (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), or to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;
 - (b) To the spouse, child, parent, brother or sister of that co-"employee" or "volunteer worker" as a consequence of Paragraph (1)(a) above;
 - (c) For which there is any obligation to share damages with or repay someone else who must pay damages because of the injury described in Paragraphs (1)(a) or (b) above; or
 - (d) Arising out of his or her providing or failing to provide professional health care services.
- (2) "Property damage" to property:
 - (a) Owned, occupied or used by; or
 - (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or

joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker"), or any organization while acting as your real estate manager.
- c. Any person or organization having proper temporary custody of your property if you die, but only:
 - (1) With respect to liability arising out of the maintenance or use of that property; and
 - (2) Until your legal representative has been appointed.
- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this policy.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization.

HOWEVER:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the policy period, whichever is earlier;
- b. COVERAGE A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization; and
- c. COVERAGE B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization.
4. No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.
5. **Automatic Additional Insureds**

Any of the following persons or organizations are automatically insureds when you and such person or organization have agreed in a written contract or agreement that such person or organization be added as an additional insured on your policy providing general liability coverage.

HOWEVER, the insurance afforded to any of the following additional insureds only applies to the extent permitted by law and will not be

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broader than that which you are required by the contract or agreement to provide for any of the following additional insureds.

a. Co-Owners of Insured Premises

Any person or organization with whom you co-own a premises insured under this policy is an additional insured, but only with respect to their liability as the co-owner of such premises.

HOWEVER, their status as additional insured under this policy ends when you cease to co-own such premises with that person or organization.

b. Controlling Interest

Any person or organization that has a controlling interest in you is an additional insured, but only with respect to liability arising out of:

- (1) Their financial control of you; or
- (2) Their ownership, maintenance or control of premises you lease or occupy;

subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when they cease to have such controlling interest in you.

c. Grantor of Franchise or License

Any person or organization that has granted you a franchise or license by written contract or agreement is an additional insured, but only with respect to their liability as the grantor of a franchise or license to you.

HOWEVER, their status as additional insured under this policy ends when their contract or agreement with you granting the franchise or license ends.

d. Lessors of Leased Equipment

Any person or organization from whom you lease equipment by written contract or agreement is an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by your maintenance, operation or use of the equipment leased to you by

that person or organization, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to "bodily injury" or "property damage" arising out of, in whole or in part, or results from, in whole or in part, the active negligence of such person or organization.

HOWEVER, their status as additional insured under this policy ends when their contract or agreement with you for such leased equipment ends.

e. Managers or Lessors of Leased Premises

Any person or organization from whom you lease premises is an additional insured, but only with respect to their liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by you or those acting on your behalf in connection with the ownership, maintenance or use of that part of the premises leased to you, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when you cease to be a tenant of such premises.

f. Mortgagee, Assignee or Receiver

Any person or organization who has status as mortgagee, assignee or receiver of your property is an additional insured, but only with respect to their liability as mortgagee, assignee or receiver arising out of your ownership, maintenance, or use of such premises, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when their status as mortgagee, assignee or receiver ends.

g. Owners or Other Interest from Whom Land has been Leased

Any person or organization from whom you lease premises is an additional insured, but only with respect to liability for "bodily injury", "property damage" or "personal and advertising injury" caused, in whole or in part, by you or those acting on your behalf in connection with the ownership, maintenance or use of that part of the land leased to you, subject to the following additional exclusion:

This insurance, including any duty we have to defend "suits", does not apply to structural alterations, new construction or demolition operations performed by or for such person or organization.

HOWEVER, their status as additional insured under this policy ends when you cease to lease that land.

h. State or Political Subdivisions - Permits Relating to Premises

Any state or political subdivision which has issued a permit in connection with premises insured by this policy which you own, rent, or control is an additional insured, but only with respect to the following hazards:

- (1) The existence, maintenance, repair, construction, erection, or removal of advertising signs, awnings, canopies, cellar entrances, coal holes, driveways, manholes, marquees, hoistaway openings, sidewalk vaults, street banners, or decoration and similar exposures;
- (2) The construction, erection, or removal of elevators; or
- (3) The ownership, maintenance, or use of any elevators covered by this insurance.

HOWEVER, their status as additional insured under this policy ends when the permit ends.

III. LIMITS OF INSURANCE AND DEDUCTIBLE

1. The Limits of Insurance shown in the Declarations and the rules below fix the most we will pay regardless of the number of:
 - a. Insureds;
 - b. Claims made or "suits" brought; or
 - c. Persons or organizations making claims or bringing "suits".
2. **General Aggregate Limit of Insurance**
(Other than Products-Completed Operations)

The General Aggregate Limit is the most we will pay for the sum of:

- a. Medical expenses under COVERAGE C;
- b. Damages under COVERAGE A, except damages because of "bodily injury" or "property damage" included in the "products-completed operations hazard"; and
- c. Damages under COVERAGE B.

The General Aggregate Limit applies separately to each of your described premises. For the purposes of this provision, premises means involving the same or connecting lots, or premises whose connection is interrupted only by a public street, roadway or waterway, or railroad right-of-way.

3. Products-Completed Operations Aggregate Limit of Insurance

The Products-Completed Operations Aggregate Limit is the most we will pay under COVERAGE A for damages because of "bodily injury" and "property damage" included in the "products-completed operations hazard".

4. Personal and Advertising Injury Limit of Insurance

Subject to paragraph 2. above, the Personal and Advertising Injury Limit is the most we will pay under COVERAGE B for the sum of all damages because of all "personal and advertising injury" sustained by any one person or organization.

5. Each Occurrence Limit of Insurance

Subject to paragraph 2. or 3. above, whichever applies, the Each Occurrence Limit is the most we will pay for the sum of:

- a. Damages under COVERAGE A; and
- b. Medical expenses under COVERAGE C; because of all "bodily injury" and "property damage" arising out of any one "occurrence".

6. Tenants Property Damage Legal Liability Limit of Insurance

Subject to paragraph 5. above, the Tenants Property Damage Legal Liability Limit is the most we will pay under COVERAGE A for damages because of all "property damage" to premises, while rented to you or temporarily occupied by you with permission of the owner, arising out of any one "occurrence".

7. Medical Payments Limit of Insurance

Subject to paragraph 5. above, the Medical Payments Limit is the most we will pay under

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COVERAGE C for all medical expenses because of "bodily injury" sustained by any one person.

8. The Limits of Insurance of this policy apply separately to each consecutive annual period and to any remaining period of less than 12 months, starting with the beginning of the policy period shown in the Declarations, unless the policy period is extended after issuance for an additional period of less than 12 months. In that case, the additional period will be deemed part of the last preceding period for purposes of determining the Limits of Insurance.

9. **Property Damage Deductible**

If a deductible amount is shown in the Liability Declarations, the following provisions apply:

- a. If a deductible amount for Property Damage is shown in the Liability Declarations, any obligation by us under this policy to pay sums on your behalf because of "property damage", applies only to sums in excess of the deductible amount shown in the Declarations for any one "occurrence".
- b. If a deductible amount for Car Wash Property Damage is shown in the Liability Declarations, any obligation by us under this policy to pay sums on your behalf because of "property damage", applies only to sums in excess of the deductible amount shown in the Declarations for any one claim.
- c. If we pay all or any part of a deductible to settle any claim or "suit", upon notification of such payment by us, you shall promptly reimburse us for the amount of the deductible that has been paid by us.

IV. **LIABILITY CONDITIONS**

The following conditions apply in addition to the COMMON POLICY CONDITIONS.

1. **Bankruptcy**

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this policy.

2. **Duties In The Event Of Occurrence, Offense, Claim Or Suit**

- a. You and any insured must see to it that we are notified as soon as practicable of an "occurrence" or an offense that may result in a claim. To the extent possible, notice should include:
 - (1) How, when and where the "occurrence" or offense took place;

- (2) The names and addresses of any injured persons and witnesses; and
- (3) The nature and location of any injury or damage arising out of the "occurrence" or offense.

- b. If a claim is made or "suit" is brought against any insured, you must:

- (1) Immediately record the specifics of the claim or "suit" and the date received; and
- (2) Notify us as soon as practicable.

You must see to it that we receive written notice of the claim or "suit" as soon as practicable.

- c. You and any other involved insured must:

- (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or "suit";
- (2) Authorize us to obtain records and other information;
- (3) Cooperate with us in the investigation or settlement of the claim or defense against the "suit";
- (4) Assist us, upon our request, in the enforcement of any right against any person or organization that may be liable to the insured because of injury or damage to which this insurance may also apply; and
- (5) Agree to be examined under oath, while not in the presence of any other insured and at such times as may be reasonably required, about any matter relating to this insurance or the claim or "suit". At our option and expense, any examination under oath may be video or audio taped as well as being recorded by stenographic record. In the event of an examination, an insured's answers must be signed.

- d. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

3. **Legal Action Against Us**

No person or organization has a right under this policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for damages from an insured; or

- b. To sue us on this policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

4. **Separation Of Insureds**

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this policy to the first Named Insured, this insurance applies:

- As if each Named Insured were the only Named Insured; and
- Separately to each insured against whom claim is made or "suit" is brought.

V. **DEFINITIONS**

The terms "you", "your", "we", "us", "our" and "insured" are defined in the Preamble of this Coverage Form. The following words or phrases, which appear in quotation marks throughout this Coverage Form and any of its endorsements, are defined as follows:

- "Advertisement"** means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:
 - Notices that are published include material placed on the Internet or on similar electronic means of communication; and
 - Regarding websites, only that part of a web-site that is about your goods, products or services for the purposes of attracting customers or supporters is considered an advertisement.
- "Auto"** means:
 - A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
 - Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged.

HOWEVER, "auto" does not include "mobile equipment".

- "Bodily injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
- "Coverage territory"** means:
 - The United States of America (including its territories and possessions), Puerto Rico and Canada;
 - International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in paragraph a. above; or
 - All other parts of the world if the injury or damage arises out of:
 - Goods or products made or sold by you in the territory described in paragraph a. above; or
 - The activities of a person whose home is in the territory described in paragraph a. above, but is away for a short time on your business; or
 - "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay damages is determined in a "suit" on the merits, in the territory described in paragraph a. above or in a settlement we agree to.
- "Employee"** includes a "leased worker". "Employee" does not include a "temporary worker".
- "Executive officer"** means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
- "Fungi"** means any type or form of fungus, including mold or mildew, and any mycotoxins, spores, scents or byproducts produced or released by fungi.
- "Hostile fire"** means one which becomes uncontrollable or breaks out from where it was intended to be.
- "Impaired property"** means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:
 - It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
 - You have failed to fulfill the terms of a contract or agreement;

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if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

10. **"Insured contract"** means:

- a. A contract for a lease of premises.
HOWEVER, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within 50 feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization, provided the "bodily injury" or "property damage" is caused, in whole or in part, by you or by those acting on your behalf. However, such part of a contract or agreement shall only be considered an "insured contract" to the extent your assumption of the tort liability is permitted by law. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of construction or demolition operations, within 50 feet of any railroad property and affecting any railroad bridge or trestle, tracks, roadbeds, tunnel, underpass or crossing;

- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

- (a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or
- (b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.

11. **"Leased worker"** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

12. **"Loading or unloading"** means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

13. **"Mobile equipment"** means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, forklifts, farm machinery, farm implements and other vehicles designed for use or used principally off public roads. This includes motorized golf carts, snowmobiles, and other land vehicles designed for recreational use;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles, other than snowmobiles, that travel on crawler treads;
- d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:
 - (1) Power cranes, shovels, loaders, diggers or drills; or

- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;
- e. Vehicles not described in paragraphs a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:
 - (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
 - (2) Cherry pickers and similar devices used to raise or lower workers;
- f. Vehicles not described in paragraphs a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

HOWEVER, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

- (1) Equipment designed primarily for:
 - (a) Snow removal;
 - (b) Road maintenance, but not construction or resurfacing; or
 - (c) Street cleaning;
- (2) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; and
- (3) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers.

HOWEVER, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law where they are licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

- 14. **"Occurrence"** means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.
- 15. **"Personal and advertising injury"** means injury, including consequential "bodily injury", arising out of one or more of the following offenses:

- a. False arrest, detention or imprisonment;
- b. Malicious prosecution;
- c. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
- d. Oral or written publication, in any manner, of material that slanders or libels a person or organization or disparages a person's or organization's goods, products or services;
- e. Oral or written publication, in any manner, of material that violates a person's right of privacy;
- f. The use of another's advertising idea in your "advertisement"; or
- g. Infringing upon another's copyright, trade dress or slogan in your "advertisement".

- 16. **"Pollutants"** mean any solid, liquid, gaseous or thermal irritant or contaminant, including but not limited to smoke, vapor, soot, fumes, acids, alkalis, petroleum products and their derivatives, chemicals and waste. Such irritants or contaminants are "pollutants" whether or not they have any function in your business, operations, premises, sites or locations.

Waste includes but is not limited to materials to be recycled, reconditioned or reclaimed and livestock, poultry or other animal excrement.

- 17. **"Products-completed operations hazard":**

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and arising out of "your product" or "your work" except:
 - (1) Products that are still in your physical possession; or
 - (2) Work that has not yet been completed or abandoned.
- HOWEVER, "your work" will be deemed completed at the earliest of the following times:
- (a) When all of the work called for in your contract has been completed.
 - (b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

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- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

HOWEVER, if your business includes the selling, handling or distribution of "your product" for consumption on premises you own or rent, all "bodily injury" and "property damage" that arises out of "your products" is included if the "bodily injury" or "property damage" occurs after you have relinquished possession of those products.

- b. Does not include "bodily injury" or "property damage" arising out of:
 - (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured; or
 - (2) The existence of tools, uninstalled equipment or abandoned or unused materials.

18. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMs, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

- 19. **"Suit"** means a civil proceeding in which damages because of "bodily injury", "property

damage" or "personal and advertising injury" to which this insurance applies are alleged. "Suit" includes:

- a. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
- b. Any other alternative dispute resolution proceeding in which such damages are claimed and to which the insured submits with our consent.

20. **"Temporary worker"** means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.

21. **"Volunteer worker"** means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

22. "Your product":

- a. Means:
 - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - (a) You;
 - (b) Others trading under your name; or
 - (c) A person or organization whose business or assets you have acquired; and
 - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
 - (2) The providing of or failure to provide warnings or instructions.
- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

23. "Your work":

- a. Means:
 - (1) Work or operations performed by you or on your behalf; and

- (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
 - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
 - (2) The providing of or failure to provide warnings or instructions.
- 24. **"Silica"** means silicon dioxide (occurring in crystalline, amorphous and impure forms), silica particles, silica dust or silica compounds.
- 25. **"Silica-related dust"** means a mixture or combination of silica and other dust or particles.
- 26. **"Talc"** means magnesium silicate hydroxide (a mineral that is part of the silicate group and in some forms is also known as soapstone) and includes the mineral in any form including but not limited to fibers or dust.

All terms and conditions of this policy apply unless modified by this endorsement.

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PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS

Various provisions in this policy restrict coverage. Please read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this policy the words "you" and "your" refer to the Named Insureds shown in the Declarations. The words "we", "us" and "our" refer to the Company providing this insurance.

All coverages of this policy are subject to the following conditions.

A. CANCELLATION

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.
2. We may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- a. Five (5) days before the effective date of cancellation if any one of the following conditions exists at any building that is Covered Property in this policy:

- (1) The building has been vacant or unoccupied 60 or more consecutive days. This does not apply to:
 - (a) Seasonal unoccupancy; or
 - (b) Buildings in the course of construction, renovation or addition.

Buildings with 65% or more of the rental units or floor area vacant or unoccupied are considered unoccupied under this provision.

- (2) After damage by a Covered Cause of Loss, permanent repairs to the building:
 - (a) Have not started; and
 - (b) Have not been contracted for; within 30 days of initial payment of loss.
- (3) The building has:
 - (a) An outstanding order to vacate;
 - (b) An outstanding demolition order; or
 - (c) Been declared unsafe by governmental authority.
- (4) Fixed and salvageable items have been or are being removed from the building and are not being replaced. This does not apply to such removal

that is necessary or incidental to any renovation or remodeling.

- (5) Failure to:

- (a) Furnish necessary heat, water, sewer service or electricity for 30 consecutive days or more, except during a period of seasonal unoccupancy; or
- (b) Pay property taxes that are owing and have been outstanding for more than one year following the date due, except that this provision will not apply where you are in a bona fide dispute with the taxing authority regarding payment of such taxes.

- b. Ten (10) days before the effective date of cancellation if we cancel for nonpayment of premium.
- c. Thirty (30) days before the effective date of cancellation if we cancel for any other reason.

3. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
4. Notice of cancellation will state the effective date of cancellation. The policy period will end on that date.
5. If this policy is cancelled, we will send the first Named Insured any premium refund due. Refunds will be calculated on a pro-rata basis regardless of who initiates the cancellation. The cancellation will be effective even if we have not made or offered a refund.
6. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. CHANGES

1. This policy contains all the agreements between you and us concerning the insurance afforded.

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2. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this policy with our consent.
3. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

C. CONCEALMENT, MISREPRESENTATION OR FRAUD

1. This policy is void in its entirety in any case of fraud, at any time, by you or your representative as it relates to this policy.
2. This policy is also void if you, your authorized representative or any other insured, at any time, conceal or misrepresent any material fact, or violate any material warranty, concerning:
 - a. This policy, including your application for this policy;
 - b. The Covered Property;
 - c. Your interest in the Covered Property; or
 - d. A claim under this policy.
3. We also have the right to rescind this policy based upon any other grounds provided by law.

D. EXAMINATION OF YOUR BOOKS AND RECORDS

We may examine and audit your books and records as they relate to this policy or to any claim arising under this policy at any time during the policy period and up to three years afterward.

E. INSPECTIONS AND SURVEYS

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which

makes insurance inspections, surveys, reports or recommendations.

4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

F. INSURANCE UNDER TWO OR MORE COVERAGES OF THIS POLICY

If two or more of this policy's coverages apply to the same injury, loss or damage, we will not pay more than the actual amount of the injury, loss or damage, up to the highest applicable Limit of Insurance under any one coverage.

G. LIBERALIZATION

If we adopt any revision that would broaden the coverage under this policy without additional premium within 60 days prior to or during the policy period, the broadened coverage will immediately apply to this policy.

H. OTHER INSURANCE

1. Under any property coverage provided by this policy, if there is other insurance covering the same loss or damage, we will pay only for the amount of covered loss or damage in excess of the amount due from that other insurance, whether you can collect on it or not. But we will not pay more than the applicable Limit of Insurance.
2. If other valid and collectible insurance is available to the insured for a loss we cover under another liability policy, our obligations are limited as follows:
 - a. Primary Insurance

This insurance is primary except when Paragraph b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in Paragraph c. below.
 - b. Excess Insurance
 - (1) This insurance is excess over:
 - (a) Any of the other insurance, whether primary, excess, contingent or provided on any other basis;
 - (i) That is Fire, Extended Coverage, Builder's Risk, Installation Risk or similar coverage for "your work";
 - (ii) That is Fire insurance for premises rented to you or

temporarily occupied by you with permission of the owner;

- (iii) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

- (iv) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion g. under Section I.

COVERAGES, COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY of the Liability Coverage Form.

- (b) Any other primary insurance available to you covering liability for damages arising out of the premises or operations for which you have been added as an additional insured.

- (2) When this insurance is excess, we will have no duty under the liability coverage provided by this policy to defend any insured against any claim or "suit" that any other insurer has a duty to defend. If no other insurer defends, we will undertake to do so, but we will be entitled to any insured's rights against all those other insurers.

- (3) When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (a) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (b) The total of all deductible and self-insured amounts under all that other insurance.

- (4) We will share the remaining loss, if any, with any other insurance that is not described in this provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this policy.

c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

I. PREMIUMS

1. The first Named Insured shown in the Declarations:
 - a. Is responsible for the payment of all premiums; and
 - b. Will be the payee for any return premiums we pay.
2. The premium shown in the Declarations was computed based on rates in effect at the time the policy was issued. On each renewal, continuation or anniversary of the effective date of this policy, we will compute the premium in accordance with our rates and rules then in effect.
3. With our consent, you may continue this policy in force by paying a continuation premium for each successive one-year period. The premium must be:
 - a. Paid to us prior to the anniversary date; and
 - b. Determined in accordance with Paragraph 2. above.

Our forms then in effect will apply. If you do not pay the continuation premium, this policy will expire on the first anniversary date that we have not received the premium.
4. Undeclared exposures or changes in your business operation and acquisition or use of locations may occur during the policy period that are not shown in the Declarations. If so, we may require an additional premium. That premium will be determined in accordance with our rates and rules in effect at the inception of such policy.

J. PREMIUM AUDIT

1. We have the right but are not obligated to audit this policy. The first Named Insured must keep records of the information we need for premium computation, and send us copies of those records at such times as we may request.
2. If we do audit your policy, at the close of that audit period, we will compute the earned premium for that period and the final premium due based upon your actual exposures.
3. We will send notice to the first Named Insured after the audit has been completed. The due

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date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the policy period is greater than the earned premium, we will return the excess to the first Named Insured.

K. TRANSFER OF RIGHTS OF RECOVERY AGAINST OTHERS TO US

1. Applicable to Businessowners Property Coverage:

If any person or organization to or for whom we make payment under this policy has rights to recover damages from another, those rights are transferred to us to the extent of our payment. That person or organization must do everything necessary to secure our rights and must do nothing after loss to impair them. But you may waive your rights against another party in writing:

- a. Prior to a loss to your Covered Property.
- b. After a loss to your Covered Property only if, at time of loss, that party is one of the following:
 - (1) Someone insured by this insurance;
 - (2) A business firm:
 - (a) Owned or controlled by you; or
 - (b) That owns or controls you; or
 - (3) Your tenant, but only with our written consent.

You may also accept the usual bills of lading or shipping receipts limiting the liability of carriers.

This will not restrict your insurance.

2. Applicable to Businessowners Liability Coverage:

If the insured has rights to recover all or part of any payment we have made under this policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them. This condition does not apply to Medical Payments Coverage.

HOWEVER, in the event of any payment under this policy, we waive our right of recovery or subrogation against any person or organization with respect to which you have waived your right of recovery or subrogation in writing and prior to a loss.

L. TRANSFER OF YOUR RIGHTS AND DUTIES UNDER THIS POLICY

1. Your rights and duties under this policy may not be transferred without our written consent except in the case of death of an individual Named Insured.
2. If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NUCLEAR ENERGY LIABILITY EXCLUSION (BROAD FORM)

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

A. This insurance does not apply:

1. Under any Liability Coverage, to "bodily injury" or "property damage":
 - a. With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under any such policy but for its termination upon exhaustion of its limit of liability; or
 - b. Resulting from the "hazardous properties" of "nuclear material" and with respect to which:
 - (1) Any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or
 - (2) The insured is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
2. Under any Medical Payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.
3. Under any Liability Coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:
 - a. The "nuclear material":
 - (1) Is at any "nuclear facility" owned by, or operated by or on behalf of, an "insured"; or

(2) Has been discharged or dispersed therefrom;

- b. The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or
- c. The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion c. applies only to "property damage" to such "nuclear facility" and any property thereat.

B. As used in this endorsement:

1. **"Hazardous properties"** includes radioactive, toxic or explosive properties.
2. **"Nuclear material"** means "source material", "special nuclear material" or "by-product material".
3. **"Source material"**, **"special nuclear material"**, and **"by-product material"** have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
4. **"Spent fuel"** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
5. **"Waste"** means any waste material:
 - a. Containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content; and
 - b. Resulting from the operation by any person or organization of any "nuclear

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facility" included under Paragraphs a. or b. of the definition of "nuclear facility".

6. **"Nuclear facility"** means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for:
 - (1) Separating the isotopes of uranium or plutonium;
 - (2) Processing or utilizing "spent fuel"; or
 - (3) Handling, processing or packaging "waste";
- c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the "insured" at the premises where such equipment or device is

located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

- d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

- 7. **"Nuclear reactor"** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.
- 8. **"Property damage"** includes all forms of radioactive contamination of property.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HIRED AUTO AND NON-OWNED AUTO LIABILITY

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

- A. Insurance is provided only for those coverages that are designated in the Liability Declarations.

1. HIRED AUTO LIABILITY

When Hired Auto Liability Coverage is designated in the Declarations as Included, the insurance provided under Section I. COVERAGES, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, and this endorsement, applies to "bodily injury" or "property damage" arising out of the maintenance, use or entrustment of a "hired auto" by you or your "employees" in the course of your business.

2. NON-OWNED AUTO LIABILITY

When Non-Owned Auto Liability Coverage is designated in the Declarations as Included, the insurance provided under Section I. COVERAGES, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, and this endorsement, applies to "bodily injury" or "property damage" arising out of the maintenance, use or entrustment of any "non-owned auto" in your business by any person other than you.

- B. For insurance provided by this endorsement, Section I. COVERAGES, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, under 2. EXCLUSIONS:

1. Exclusion g. Aircraft, Auto or Watercraft is amended by adding the following paragraph:
HOWEVER, this exclusion does not apply to any "hired auto" or "non-owned auto" (as defined in this endorsement).
2. Exclusion e. Employer's Liability is amended by adding the following paragraph:
HOWEVER, this exclusion does not apply to "bodily injury" arising out of and in the course of domestic employment by the insured, unless benefits for such injury are in whole or in part either payable or required to be provided by any workers compensation law.
3. The following additional exclusions also apply, but only with respect to the coverages provided by this endorsement:

This insurance, including any duty we have to defend "suits", does not apply to:

- a. "Property damage" to:

- (1) Property owned or being transported by, or rented or loaned to any insured; or
- (2) Property in the care, custody or control of any insured.

- b. "Bodily injury" or "property damage" which arises out of or is a result of the handling of any property:

- (1) Before it is moved from the place where it is accepted by an insured for movement into or onto a "hired auto" or "non-owned auto"; or
- (2) After it is moved from a "hired auto" or "non-owned auto" to the place where it is finally delivered by an insured.

- c. "Bodily injury" or "property damage" which arises out of or is a result of the movement of any property by a mechanical device (other than a hand truck) unless the device is attached to a "hired auto" or "non-owned auto".

- C. Only with respect to the coverage provided by this endorsement, Section II. WHO IS AN INSURED is replaced by the following:

Each of the following is an insured to the extent set forth below:

- a. You;
- b. Any other person using a "hired auto" within the scope of your permission;
- c. Any partner or "executive officer" of yours, with respect to a "non-owned auto" while being used in the course of your business;
- d. Any other person or organization, but only for their vicarious liability because of acts or omissions of you or of an insured under a., b. or c. above; and
- e. Your "employee" while operating an "auto" hired or rented under a contract or agreement, with your permission, in that

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"employee's" name, while performing duties related to the conduct of your business.

- f. HOWEVER, none of the following is an insured under this endorsement:

- (1) Any person engaged in the business of his or her employer for "bodily injury" to any co-"employee" of such person injured in the course of employment, or to the spouse, child, parent, brother or sister of that co-"employee" as a consequence of such "bodily injury", or for any obligation to share damages with or repay someone else who must pay damages because of the injury;
- (2) Any "employee", partner or "executive officer" with respect to any "auto" owned by such "employee", partner or "executive officer" or a member of their household;
- (3) Any person while employed in or otherwise engaged in duties in connection with an "auto business", other than an "auto business" you operate;
- (4) The owner, lessor or lessee (when you are a sublessee) of a "hired auto" or the owner of a "non-owned auto" or any agent or "employee" of any such owner, lessor or lessee; or
- (5) Any person or organization for the conduct of any current or past partnership or joint venture that is not shown as a Named Insured in the Declarations.

- D. For insurance provided by this endorsement, under Section IV. LIABILITY CONDITIONS, the following condition also applies:

If there is any other "auto" liability insurance under any other policy, or self insurance or similar protection, that applies to a loss covered by this endorsement, then this insurance shall be excess over that other insurance.

- E. With respect to the coverage provided by this endorsement, under Section V. DEFINITIONS:

1. The following is added to the "coverage territory" definition:

For "hired auto", the "coverage territory" is extended to anywhere in the world if:

- a. An "auto" of the private passenger type is leased, hired, rented or borrowed without a driver for a period 30 days or less; and
- b. The insured's responsibility to pay damages is determined in a "suit" on the merits, in the United States of America, the territories and possessions of the United States of America, Puerto Rico or Canada, or in a settlement we agree to.

2. The following additional definitions also apply:

- a. **"Auto Business"** means the business or occupation of selling, repairing, servicing, storing or parking "autos".
- b. **"Hired Auto"** means any "auto" you lease, hire, rent or borrow.
HOWEVER, this does not include any "auto" you lease, hire, rent or borrow from any of your "employees" or members of their households, or from any partner or "executive officer" of yours.
- c. **"Non-Owned Auto"** means any "auto" you do not own, lease, hire, rent or borrow which is used in connection with your business, including "autos" owned by your "employees", partners (if you are a partnership), members (if you are a limited liability company) or members of their household.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

LIMITATION OF COVERAGE TO DESIGNATED PREMISES

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

This insurance applies only to "bodily injury", "property damage", "personal and advertising injury" and medical expenses arising out of the ownership, maintenance or use of those premises that are shown in the Declarations, and your operations necessary or incidental to those premises.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM
PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

The following provisions are added to the
Businessowners Policy and apply to Property and
Liability Coverages:

A. CAP ON CERTIFIED TERRORISM LOSSES

"Certified act of terrorism" means an act that is
certified by the Secretary of the Treasury, in
accordance with the provisions of the federal
Terrorism Risk Insurance Act, to be an act of
terrorism pursuant to such Act. The criteria
contained in the Terrorism Risk Insurance Act for
a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of
\$5 million in the aggregate, attributable to all
types of insurance subject to the Terrorism
Risk Insurance Act; and
2. The act is a violent act or an act that is
dangerous to human life, property or
infrastructure and is committed by an
individual or individuals as part of an effort to
coerce the civilian population of the United

States or to influence the policy or affect the
conduct of the United States Government by
coercion.

If aggregate insured losses attributable to terrorist
acts certified under the Terrorism Risk Insurance
Act exceed \$100 billion in a calendar year and we
have met our insurer deductible under the
Terrorism Risk Insurance Act, we shall not be
liable for the payment of any portion of the amount
of such losses that exceeds \$100 billion, and in
such case insured losses up to that amount are
subject to pro rata allocation in accordance with
procedures established by the Secretary of the
Treasury.

- B.** The terms and limitations of any terrorism
exclusion, or the inapplicability or omission of a
terrorism exclusion, do not serve to create
coverage for loss or injury or damage that is
otherwise excluded under this Policy.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT)

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM
PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

SCHEDULE

The **Exception Covering Certain Fire Losses** (paragraph B.2. of this endorsement) applies to property located in the following states:

California	Iowa	New Jersey	Washington
Connecticut	Maine	New York	Wisconsin
Georgia	Massachusetts	Oregon	West Virginia
Idaho	Missouri	Rhode Island	
Illinois	North Carolina	Virginia	

A. The **PROPERTY COVERAGE FORM** and the **LIABILITY COVERAGE FORM** are amended as follows:

1. **Applicability Of The Provisions Of This Endorsement**

- a. The provisions of this endorsement will become applicable commencing on the date when any one or more of the following first occurs. But if your policy (meaning the policy period in which this endorsement applies) begins after such date, then the provisions of this endorsement become applicable on the date your policy begins.
- (1) The federal Terrorism Risk Insurance Program ("Program"), established by the Terrorism Risk Insurance Act, has terminated with respect to the type of insurance provided under this Coverage Form; or
- (2) A renewal, extension or replacement of the Program has become effective without a requirement to make terrorism coverage available to you and with revisions that:
- (a) Increase our statutory percentage deductible under the Program for terrorism losses. (That deductible

determines the amount of all certified terrorism losses we must pay in a calendar year, before the federal government shares in subsequent payment of certified terrorism losses.); or

- (b) Decrease the federal government's statutory percentage share in potential terrorism losses above such deductible; or
- (c) Redefine terrorism or make insurance coverage for terrorism subject to provisions or requirements that differ from those that apply to other types of events or occurrences under this policy.

b. If the provisions of this endorsement become applicable, such provisions:

- (1) Supersede any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", but only with respect to loss or injury or damage from an incident(s) of terrorism (however defined) that occurs on or after the date when the provisions of this

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endorsement become applicable;
and

- (2) Remain applicable unless we notify you of changes in these provisions, in response to federal law.
 - c. If the provisions of this endorsement do NOT become applicable, any terrorism endorsement already endorsed to this policy that addresses "certified acts of terrorism" and/or "other acts of terrorism", will continue in effect unless we notify you of changes to that endorsement in response to federal law.
2. The following definition is added and applies under this endorsement wherever the term terrorism is enclosed in quotation marks. "Terrorism" means activities against persons, organizations or property of any nature:
- a. That involve the following or preparation for the following:
 - (1) Use or threat of force or violence; or
 - (2) Commission or threat of a dangerous act; or
 - (3) Commission or threat of an act that interferes with or disrupts an electronic, communication, information, or mechanical system; and
 - b. When one or both of the following applies:
 - (1) The effect is to intimidate or coerce a government or the civilian population or any segment thereof, or to disrupt any segment of the economy; or
 - (2) It appears that the intent is to intimidate or coerce a government, or to further political, ideological, religious, social or economic objectives or to express (or express opposition to) a philosophy or ideology.

B. AMENDMENTS TO THE PROPERTY COVERAGE FORM

1. Under Section B. EXCLUSIONS, the following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for loss or damage caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. But this exclusion applies only when one or

more of the following are attributed to an incident of "terrorism":

- (1) The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or
- (2) Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- (3) The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- (4) Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- (5) The total of insured damage to all types of property in the United States, its territories and possessions, Puerto Rico and Canada exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions. Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the threshold is exceeded.

With respect to this item 1.a.(5), the immediately preceding paragraph describes the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

2. **Exception Covering Certain Fire Losses**
The following exception to the EXCLUSION OF TERRORISM applies only if indicated

and as indicated in the Schedule of this endorsement.

If "terrorism" results in fire, we will pay for the loss or damage caused by that fire, subject to all applicable policy provisions including the Limit of Insurance on the affected property. Such coverage for fire applies only to direct loss or damage by fire to Covered Property. Therefore, for example, the coverage does not apply to insurance provided under Business Income and/or Extra Expense Additional Coverages or endorsements that apply to those coverages.

3. Application Of Other Exclusions

When the EXCLUSION OF TERRORISM applies in accordance with the terms of paragraph 1.a. or 1.b., such exclusion applies without regard to exclusion d. Nuclear Hazard in this Coverage Form.

C. AMENDMENTS TO THE LIABILITY COVERAGE FORM

1. The following definition is added and applies under this endorsement wherever the phrase any injury or damage, is enclosed in quotation marks:

"Any injury or damage" means any injury or damage covered under this Coverage Form or any applicable endorsement, and includes but is not limited to "bodily injury", "property damage" or "personal and advertising injury", as may be defined under this Coverage Form or any applicable endorsement.

2. The following exclusion is added:

EXCLUSION OF TERRORISM

We will not pay for "any injury or damage" caused directly or indirectly by "terrorism", including action in hindering or defending against an actual or expected incident of "terrorism". "Any injury or damage" is excluded regardless of any other cause or event that contributes concurrently or in any sequence to such injury or damage. **But this exclusion applies only when one or more of the following are attributed to an incident of "terrorism":**

- a. The "terrorism" is carried out by means of the dispersal or application of radioactive material, or through the use of a nuclear weapon or device that involves or produces a nuclear reaction, nuclear radiation or radioactive contamination; or

- b. Radioactive material is released, and it appears that one purpose of the "terrorism" was to release such material; or
- c. The "terrorism" is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
- d. Pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the "terrorism" was to release such materials; or
- e. The total of insured damage to all types of property exceeds \$25,000,000. In determining whether the \$25,000,000 threshold is exceeded, we will include all insured damage sustained by property of all persons and entities affected by the "terrorism" and business interruption losses sustained by owners or occupants of the damaged property. For the purpose of this provision, insured damage means damage that is covered by any insurance plus damage that would be covered by any insurance but for the application of any terrorism exclusions; or
- f. Fifty or more persons sustain death or serious physical injury. For the purposes of this provision, serious physical injury means:
 - (1) Physical injury that involves a substantial risk of death; or
 - (2) Protracted and obvious physical disfigurement; or
 - (3) Protracted loss of or impairment of the function of a bodily member or organ.

Multiple incidents of "terrorism" which occur within a 72-hour period and appear to be carried out in concert or to have a related purpose or common leadership will be deemed to be one incident, for the purpose of determining whether the thresholds in paragraphs 2.e. or 2.f. are exceeded.

With respect to this Exclusion, paragraphs 2.e. and 2.f. describe the threshold used to measure the magnitude of an incident of "terrorism" and the circumstances in which the threshold will apply, for the purpose of determining whether this Exclusion will apply to that incident. When the Exclusion applies to an incident of "terrorism", there is no coverage under this Coverage Form.

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- D. The following provision is added to the Businessowners Policy and apply to Property and Liability Coverages:
The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a

terrorism exclusion, do not serve to create coverage for loss or injury or damage that is otherwise excluded under this Policy.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION OF LOSS DUE TO BY-PRODUCTS OF PRODUCTION OR PROCESSING OPERATIONS (RENTAL PROPERTIES)

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

- A. The terms of this endorsement apply to rental unit(s) and to the building(s) in which such unit(s) are located, including any contents of such unit(s) and building(s).
- B. In Section B. EXCLUSIONS, under paragraph 1. the following is added:

Loss Due to By-Products of Production or Processing Operations (Rental Properties)

We will not pay for loss or damage to the described premises, caused by or resulting from smoke, vapor, gas or any substance released in the course of production operations or processing operations performed at the rental unit(s). This exclusion applies regardless of whether such operations are:

1. Legally permitted or prohibited;
2. Permitted or prohibited under the terms of the lease; or
3. Usual to the intended occupancy of the premises.

This exclusion does not apply to loss or damage by fire or explosion that results from the release of a by-product of the production or processing operation.

- C. If the loss or damage described in Paragraph B. of this endorsement results in Business Income loss or Extra Expense, there is no coverage for such loss or expense under the Business Income or Extra Expense Additional Coverages.
- D. The conduct of a tenant's production or processing operations will not be considered to be vandalism of the rental premises regardless of whether such operations are:
1. Legally permitted or prohibited;
 2. Permitted or prohibited under the terms of the lease; or
 3. Usual to the intended occupancy of the premises.

All terms and conditions of this policy apply unless modified by this endorsement.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CANNABIS PROPERTY EXCLUSION WITH HEMP EXCEPTION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

A. Paragraph A.2. Property Not Covered of the Businessowners Coverage Form is amended as follows:

1. The following is added to Paragraph **A.2. Property Not Covered**:

a. "Cannabis".

2. Paragraph **A.1.** of this endorsement does not apply to goods or products containing or derived from hemp, including, but not limited to:

- a. Seeds;
- b. Food;
- c. Clothing;
- d. Lotions, oils or extracts;
- e. Building materials; or
- f. Paper.

However, this Paragraph **A.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

B. For the purpose of this endorsement, the following applies to Business Income and Extra Expense:

1. Coverage under this Policy does not apply to that part of Business Income loss or Extra Expense incurred, due to a suspension of your "operations", which is attributable to the design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis".

2. Paragraph **B.1.** of this endorsement does not apply to Business Income loss or Extra Expense incurred which is attributable to goods or products containing or derived from hemp, including, but not limited to:

a. Seeds;

b. Food;

c. Clothing;

d. Lotions, oils or extracts;

e. Building materials; or

f. Paper.

However, this Paragraph **B.2.** does not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state where such goods or products are located.

C. For the purpose of this endorsement, the following definition is added:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph **C.1.** above includes, but is not limited to, any of the following containing such THC or cannabinoid:

a. Any plant of the genus *Cannabis* L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or

b. Any compound, byproduct, extract, derivative, mixture or combination, such as:

(1) Resin, oil or wax;

(2) Hash or hemp; or

(3) Infused liquid or edible cannabis;

whether or not derived from any plant or part of any plant set forth in Paragraph **C.2.a.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.
**CANNABIS LIABILITY EXCLUSION WITH HEMP
EXCEPTION**

This endorsement modifies insurance provided under the following:
PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

A. The following exclusion is added to Section I:

This insurance does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of:
 - a. The design, cultivation, manufacture, storage, processing, packaging, handling, testing, distribution, sale, serving, furnishing, possession or disposal of "cannabis"; or
 - b. The actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, contact with, exposure to, existence of, or presence of "cannabis"; or

2. "Property damage" to "cannabis".

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage", or the offense which caused the "personal and advertising injury", involved that which is described in Paragraph A.1. or A.2. above.

However, Paragraph A.1.b. does not apply to "bodily injury" or "property damage" arising out of the actual, alleged, threatened or suspected inhalation, ingestion, absorption or consumption of, or contact with, "cannabis" by:

- (1) An insured; or
- (2) Any other person for whom you are legally responsible;

but only if the "bodily injury" or "property damage" does not arise out of your selling, serving or furnishing of "cannabis" to any person described above.

B. The exclusion in Paragraph A. does not apply to:

1. "Bodily injury", "property damage" or "personal and advertising injury" arising out of goods or products containing or derived from hemp, including, but not limited to:
 - a. Seeds;
 - b. Food;
 - c. Clothing;
 - d. Lotions, oils or extracts;
 - e. Building materials; or
 - f. Paper.

2. "Property damage" to goods or products described in Paragraph B.1. above.

However, Paragraphs B.1. and B.2. above do not apply to the extent any such goods or products are prohibited under an applicable state or local statute, regulation or ordinance in the state wherein:

- (1) The "bodily injury" or "property damage" occurs;
 - (2) The "occurrence" which caused the "bodily injury" or "property damage" takes place; or
 - (3) The offense which caused the "personal and advertising injury" was committed; or
3. "Personal and advertising injury" arising out of the following offenses:
- a. False arrest, detention or imprisonment; or
 - b. The wrongful eviction from, wrongful entry into, or invasion of the right or private occupancy of a room, dwelling or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor.

C. For the purpose of this endorsement, the following definition is added:

"Cannabis":

1. Means:

Any good or product that consists of or contains any amount of Tetrahydrocannabinol (THC) or any other cannabinoid, regardless of whether any such THC or cannabinoid is natural or synthetic.

2. Paragraph C.1. above includes, but is not limited to, any of the following containing such THC or cannabinoid:

- a. Any plant of the genus Cannabis L., or any part thereof, such as seeds, stems, flowers, stalks and roots; or
- b. Any compound, byproduct, extract, derivative, mixture or combination, such as:
 - (1) Resin, oil or wax;
 - (2) Hash or hemp; or
 - (3) Infused liquid or edible cannabis;whether or not derived from any plant or part of any plant set forth in Paragraph C.2.a.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT PROPERTY EXCLUSION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

Section I – Covered Property is amended as follows:

A. The following exclusion is added to Paragraph B. Exclusions:

We will not pay for loss or damage caused directly or indirectly by the following. Such loss or damage is excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss.

Cyber Incident

1. Unauthorized access to or use of any computer system (including electronic data).
2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system (including electronic data) and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system (including electronic data) or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

B. Exceptions And Limitations

1. Fire Or Explosion

If a cyber incident as described in Paragraphs **A.1.** through **A.3.** of this exclusion results in fire or explosion, we will pay for the loss or damage caused by that fire or explosion.

2. Additional Coverage

The exclusion in Paragraph **A.** does not apply to the extent that coverage is provided in the:

- a. Additional Coverage – Electronic Data; or
- b. Additional Coverage – Interruption Of Computer Operations.

C. Vandalism

The following is added to Vandalism:

Vandalism does not include a cyber incident as described in Paragraph **A.**

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CONDOMINIUM ASSOCIATION COVERAGE

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM
PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

- A. As used throughout this endorsement, the term condominium includes townhouse.
- B. Under the PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM, the following amendments are made:
1. Under Section A. COVERAGES, 1. COVERED PROPERTY, Paragraph a. Buildings is replaced by the following:
 - a. **Buildings**, meaning the described buildings or structures at the described premises including:
 - (1) Completed additions;
 - (2) Fixtures, outside of individual units, including outdoor fixtures;
 - (3) Permanently installed:
 - (a) Machinery; and
 - (b) Equipment;
 - (4) Personal property owned by you that is used to maintain or service the building or structure or its premises, including:
 - (a) Fire extinguishing equipment;
 - (b) Outdoor furniture;
 - (c) Floor coverings;
 - (d) Appliances used for refrigerating, ventilating, cooking, dishwashing or laundering that are not contained within individual units; and
 - (e) Outdoor radio or television antennas (including satellite dishes) and their lead-in wiring, mast and towers;
 - (5) If not covered by other insurance:
 - (a) Additions under construction, alterations and repairs to the building or structure;
 - (b) Materials, equipment, supplies, and temporary structures, on or within 1,000 feet of the described premises, used for making additions, alterations or repairs to the building or structure;
 - (6) Any of the following types of property contained within a unit, regardless of ownership, if your Condominium Association Agreement requires you to insure it:
 - (a) Fixtures, improvements and alterations that are a part of the building or structure; and
 - (b) Appliances, such as those used for refrigerating, ventilating, cooking, dishwashing, laundering, security or housekeeping; and
 - (7) Garages, storage buildings, spas, swimming pools, fences, retaining walls or other appurtenant structures usual to your business, but only if:
 - (a) Coverage is not already provided for such structures under the Appurtenant Structures Additional Coverage; and
 - (b) Such structures are then designated in the Declarations as Covered Property.
- But Building does not include personal property owned by, used by or in the care, custody or control of a unit-owner except for personal property listed in Paragraph B.1.a.(6) above.
2. Under Section A. COVERAGES, 1. COVERED PROPERTY, Paragraph b. Business Personal Property is replaced by the following:
 - b. **Business Personal Property** located in or on the buildings or structures at the described premises or in the open (or in a vehicle) within 1,000 feet of the buildings or structures or within 1,000 feet of the premises described in the Declarations, whichever distance is greater, consisting of the following:

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- (1) Personal property owned by you or owned indivisibly by all unit-owners;
- (2) Your interest in the labor, materials or services furnished or arranged by you on personal property of others; and
- (3) Leased personal property for which you have a contractual responsibility to insure, unless otherwise provided for under personal property of others.

Business Personal Property does not include personal property owned only by a unit-owner, unless it is in your care, custody or control as covered below.

This also includes property of others that is in your care, custody or control except as otherwise provided in Section E. PROPERTY LOSS CONDITIONS, 5. Loss Payment, paragraph e.(3)(b).

3. The following is added to Section E. PROPERTY LOSS CONDITIONS, 5. Loss Payment:

If you name an insurance trustee, we will adjust losses with you, but we will pay the insurance trustee. If we pay the trustee, the payments will satisfy your claims against us.

4. The following is added to Section E. PROPERTY LOSS CONDITIONS:

Unit-Owner's Insurance

A unit-owner may have other insurance covering the same property as this insurance. This insurance is intended to be primary, and not to contribute with such other insurance.

- C. Under the PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM, the following amendments are made:

1. The following is added to Section II. WHO IS AN INSURED:

Each individual unit-owner of the insured condominium, but only for liability arising out of the ownership, maintenance or repair of that portion of the premises which is not reserved for that unit-owner's exclusive use or occupancy.

2. Under Section I. COVERAGES, A. COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY, 2. EXCLUSIONS, paragraph p. Bodily Injury To Any Insured is removed.

- D. In the COMMON POLICY CONDITIONS, the following is added to Condition K. Transfer Of Rights Of Recovery Against Others To Us:

3. Waiver Of Rights Of Recovery

We waive our rights to recover payment from any unit-owner of the condominium that is shown in the Declarations.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER INCIDENT LIABILITY EXCLUSION

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

Section I – COVERAGES is amended as follows:

- A. The following exclusion is added to Paragraph 2. **EXCLUSIONS** in paragraph A. **COVERAGE A – BODILY INJURY AND PROPERTY DAMAGE LIABILITY** and paragraph B. **COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY**:

This insurance does not apply to:

Cyber Incident

"Bodily injury", "property damage", or "personal and advertising injury" arising out of a "cyber incident".

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other similar cost or expense incurred by you or others arising out of a "cyber incident".

- B. For the purposes of this endorsement, the following is added to Paragraph V. **DEFINITIONS**:

"Cyber incident" means any:

1. Unauthorized access to or use of any computer system.

2. Malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any computer system and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any computer system or otherwise disrupt its normal functioning or operation.
3. Denial of service attack which disrupts, prevents or restricts access to or use of any computer system, or otherwise disrupts its normal functioning or operation.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION – VIOLATION OF LAW ADDRESSING DATA PRIVACY

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

- A. In Section I. COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, under paragraph 2. EXCLUSIONS, the following exclusion is added:

This insurance, including any duty we have to defend "suits", does not apply to:

Violation Of Law Addressing Data Privacy

This insurance does not apply to:

"Bodily injury" or "property damage" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. Any federal, state or local statute, ordinance, regulation or other law that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, selling or distribution of any person's or organization's confidential or personal material or information, including financial, health, biometric or other nonpublic material or information. Any such federal, state or local statute, ordinance, regulation or other law includes but is not limited to:

(1) The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or

(2) The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

- b. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in Paragraph a. above, including but not limited to the European Union's General Data Protection Regulation.

- B. In Section I. COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY, under paragraph 2. EXCLUSIONS, the following exclusion is added:

This insurance, including any duty we have to defend "suits", does not apply to:

Violation Of Law Addressing Data Privacy

"Personal and advertising injury" arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. Any federal, state or local statute, ordinance, regulation or other law that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, selling or distribution of any person's or organization's confidential or personal material or information, including financial, health, biometric or other nonpublic material or information. Any such federal, state or local statute, ordinance, regulation or other law includes but is not limited to:

(1) The Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law; or

(2) The California Consumer Privacy Act (CCPA), including any amendment of or addition to such law; or

- b. Any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in Paragraph a. above, including but not limited to the European Union's General Data Protection Regulation.

All terms and conditions of this policy apply unless modified by this endorsement.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

HABITATIONAL PLUS ENDORSEMENT

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

SCHEDULE

Coverage Description	Limit of Insurance	Deductible
Reward Payment	\$5,000	\$500
Lock Replacement Expenses	\$5,000	\$500
Tenant Move-back Expenses	\$15,000	\$500

A. OPERATION OF THIS ENDORSEMENT

This endorsement provides the coverage described herein only at your covered habitational premises.

B. The following is added to the PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM:

1. Under Section A. Coverages, the following is added to 5. Additional Coverages:

a. Reward Payment

- (1) We will reimburse you for rewards paid as follows:

- (a) Up to \$5,000 to an eligible person for information leading to the arrest and conviction of any person or persons committing a crime resulting in loss or damage to Covered Property from a Covered Cause of Loss. HOWEVER, we will pay no more than the lesser of the following amounts:
 - (i) Actual cash value of the Covered Property at the time of loss or damage, but not more than the amount required to repair or replace it; or
 - (ii) The amount determined by the loss settlement procedure applicable to the Covered Property under the Loss Payment Condition.

- (b) Up to \$5,000 to an eligible person for the return of stolen Covered Property, when the loss is caused by theft.

HOWEVER, we will pay no more than the lesser of the following amounts:

- (i) Actual cash value based on the condition of the Covered Property at the time it is returned, but not more than the amount required to repair or replace it; or
- (ii) The amount determined by the loss settlement procedure applicable to the returned Covered Property under the Loss Payment Condition.

- (2) This Additional Coverage applies subject to the following conditions:

- (a) An eligible person means that person designated by a law enforcement agency as being the first to voluntarily provide the information leading to the arrest and conviction or return of the stolen Covered Property, and who is not:
 - (i) You or any family member;
 - (ii) Your employee (including a temporary or leased employee) or any of his or her family members;
 - (iii) An employee of a law enforcement agency;

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- (iv) An employee of a business engaged in property protection;
- (v) Any person who had custody of the Covered Property at the time the theft was committed; or
- (vi) Any person involved in the crime.
- (b) No reward will be reimbursed unless and until the person(s) committing the crime is (are) convicted or the Covered Property is returned.
- (c) The lesser of the amount of the reward or \$5,000 is the most we will reimburse for loss under this Additional Coverage in any one occurrence.
- b. Lock Replacement Expenses**
 - (1) We will pay the expense you incur to repair or replace door locks or tumblers at the described premises due to the theft or other loss of the keys to such door locks or tumblers.
 - (2) The most we will pay under this Additional Coverage for all loss or damage in any one occurrence is \$5,000.
 - (3) This Lock Replacement Expenses Additional Coverage is in addition to the Limits of Insurance.
- c. Tenant Move-back Expenses**
 - (1) We will pay for expenses that you incur to move your tenants back to the described premises from a

temporary location in the event that your tenants must temporarily vacate a Building at the premises described in the Declarations due to untenable conditions. The vacancy must result from a direct physical loss or damage to your Covered Property caused by or resulting from a Covered Cause of Loss.

- (2) We will only pay for the following expenses:
 - (a) Packing, transporting and unpacking of tenants' property; and
 - (b) The net cost to reestablish the tenants' utility and telephone services, after any refunds due the tenants.
- (3) We will only pay for expenses listed in Paragraphs (2)(a) and (2)(b) above that you incur within 60 days of the date that the damaged building has been repaired or rebuilt.
- (4) The most we will pay under this Additional Coverage in any one occurrence at each described premises is \$15,000.

C. DEDUCTIBLES

For these Additional Coverages, we will not pay for loss or damage in any one occurrence until the amount of loss or damage exceeds the Deductible shown in the Schedule of this endorsement. We will then pay the amount of loss or damage in excess of the Deductible up to the applicable Limit of Insurance shown in the Schedule of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

ORDINANCE OR LAW BROADENED ENDORSEMENT

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

A. Operation of This Endorsement

This endorsement provides Ordinance and Law Coverage as outlined below. The terms of this endorsement apply to each insured building separately, and only those insured on a replacement cost basis.

1. Under Section B. Exclusions, paragraph 1. a. Ordinance Or Law, is deleted.
2. Under Section A.5. Additional Coverages, paragraph m. Increased Cost of Construction – Damaged Property, is deleted.

B. Application of Coverage(s)

1. The Coverage(s) provided by this Ordinance or Law Optional Coverage applies with respect to an ordinance or law that regulates the demolition, construction or repair of buildings, or establishes zoning or land use requirements at the described premises, subject to the following

- a. The requirements of the ordinance or law are in force at the time of loss; or the ordinance or law is promulgated or revised after the loss but prior to commencement of reconstruction or repair and provided that such ordinance or law requires compliance as a condition precedent to obtaining a building permit or certificate of occupancy;

- b. Coverage provided by this Ordinance or Law Optional Coverage applies only in response to the minimum requirements of the ordinance or law. Losses and costs incurred in complying with recommended actions or standards that exceed actual requirements are not covered.

- c. Coverage provided by this Ordinance or Law Optional Coverage applies only if:

- (1) The building sustains only direct physical damage that is covered under this policy and as a result of such damage, you are required to comply with the ordinance or law; or
- (2) The building sustains both direct physical damage that is covered under this policy and direct physical

damage that is not covered under this policy, and as a result of the building damage in its entirety, you are required to comply with ordinance or law.

However, there is no coverage under this policy if the building sustains direct physical damage that is not covered under this policy, and such damage is the subject of the ordinance or law, even if the building has also sustained covered direct physical damage.

- d. If coverage applies under this policy based on the terms of paragraph B.1.c.(2) above, we will not pay the full amount of loss otherwise payable under the terms of Coverages 1, 2, and/or 3 of this endorsement. Instead, we will pay a proportion of such loss; meaning the proportion that the covered direct physical damage bears to the total direct physical damage.

(Paragraph F. of this endorsement provides an example of this procedure.)

HOWEVER, if the covered direct physical damage alone would have resulted in a requirement to comply with the ordinance or law, then we will pay the full amount of loss otherwise payable under terms of this Ordinance or Law Optional Coverage.

- e. We will not pay under this Ordinance Or Law Optional Coverage for any loss in value or any cost incurred due to an ordinance or law that you were required to comply with before the time of the current loss, even in the absence of building damage, if you failed to comply.

C. Coverage

The following are added to the PROPERTY COVERAGE FORM, under Section A. Coverages, 5. Additional Coverages:

1. **Coverage 1 - Loss to the Undamaged Portion of the Building**

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If a Covered Cause of Loss occurs to covered Building property, we will pay for the loss in value of the undamaged portion of the building as a consequence of a requirement to comply with an ordinance or law that requires demolition of undamaged parts of the same building.

2. Coverage 2 - Demolition and Debris Removal Cost

We will pay the cost to demolish and clear the site of undamaged parts of the same building, as a consequence of a requirement to comply with an ordinance or law that requires demolition of such undamaged property.

3. Coverage 3 - Increased Cost Of Construction

- a. With respect to the building that has sustained covered direct physical damage, we will pay the increased cost to:
- (1) Repair, replace, or reconstruct damaged portions of that Building;
 - (2) Reconstruct or remodel undamaged portions of that Building property, whether or not demolition is required;

When the increased cost is a consequence of a requirement to comply with the minimum standards of the ordinance or law.

HOWEVER, we will not pay for the increased costs to reconstruct or remodel damaged or undamaged portions of that Building property:

- (1) Unless the restored or remodeled property is intended for similar occupancy as the current property, unless such occupancy is not permitted by zoning or land use ordinance or law; or
- (2) If the building is not repaired, reconstructed or remodeled.

Under Section E. PROPERTY LOSS CONDITIONS 5. Loss Payment, paragraph e. does not apply.

D. Additional Terms and Conditions of Ordinance or Law

With respect to this Ordinance or Law Coverage, we will not pay for:

1. Enforcement of, or compliance with any ordinance or law which requires the demolition, repair, replacement, reconstruction, remodeling or remediation of property due to contamination by "pollutants" or due to the presence, growth, proliferation,

spread of any activity of "fungi", wet or dry rot or bacteria; or

2. The costs associated with the enforcement of, or compliance with any ordinance, law, rule, or regulation which requires any insured or others to test for, monitor, clean up, remove, contain, treat, detoxify, or neutralize, or in any way respond to, or assess the effects of "pollutants", "fungi", wet or dry rot or bacteria.
3. Under this Ordinance or Law Optional Coverage, we will not pay for loss due to any ordinance or law that:
 - a. You were required to comply with before the loss, even if the building was undamaged; and
 - b. You failed to comply with.

E. Loss Payment

1. The most we will pay per insured building, under this endorsement for Coverages 1, 2, and 3 combined is the lesser of \$250,000 or the amount you actually spend for coverage 1, 2, and 3. If limits are specified in the Declarations for Optional Coverages Ordinance or Law – 1 or Ordinance or Law – 2 the coverage provided by this endorsement is excess.

Additionally, the \$250,000 limit for this Ordinance or Law Coverage is in addition to the Limits of Insurance.

2. All following loss payment Provisions E.3. through E.6., are subject to the apportionment procedure set forth in Section B.1.c. of this endorsement.
3. The most we will pay for under Coverage 1 - Loss to the Undamaged Portion of the Building is:
 - a. When there is a loss in value of an undamaged portion of a building to which Coverage 1 applies, the loss payment for that building, including damaged and undamaged portions, will be determined as follows:
 - (1) If the property is repaired or replaced on the same or another premises, we will not pay more than the lesser of:
 - (a) The amount you actually spend to repair, rebuild or reconstruct the building, but not for more than the amount it would cost to restore the building on the same premises and to the same height, floor area, style and comparable quality of the original property insured; or

- (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
- (2) If such building is not repaired or replaced, we will not pay more than the lesser of:
- (a) The actual cash value of the building at the time of loss; or
 - (b) The Limit of Insurance shown in the Declarations as applicable to the covered building.
4. Loss payment under Coverage 3 – Increased Cost of Construction Coverage will be determined as follows:
- a. We will not pay under Coverage 3:
 - (1) Until the property is actually repaired or replaced, at the same or another premises; and
 - (2) Unless the repairs or replacement are made as soon as reasonably possible after the loss or damage, not to exceed two years. We may extend this period in writing during the two years.
 - b. If the loss payment is based on the Limit of Insurance shown in the Declarations, then paragraph A.2. of this endorsement is deleted, and;

The \$25,000 Limit of Insurance for Increased Cost of Construction – Damaged Property Additional Coverage remains available for damaged property and is separate from the Limit of Insurance shown in the Declarations for Ordinance or Law Optional Coverage.

This portion of the Ordinance or Law Coverage is in addition to the Limits of Insurance.

F. Example of Proportionate Loss Payment for Ordinance or Law Coverage Losses (procedure as set forth in Section B.1.c. of this Ordinance or Law Optional Coverage).

Assume:

- Wind is a Covered Cause of Loss. Flood is an excluded Cause of Loss;
- The building has a value of \$200,000;
- Total direct physical damage to building: \$100,000;
- The ordinance or law in this jurisdiction is enforced when building damage equals or exceeds 50% of the building's value;
- Portion of direct physical damage that is covered (caused by wind): \$30,000;
- Portion of direct physical damage that is not covered (caused by flood): \$70,000; and
- Loss under Ordinance or Law Coverage 2 of this endorsement: \$60,000.

Step 1: Determine the proportion that the covered direct physical damage bears to the total direct physical damage.

$$\$30,000 \text{ divided by } \$100,000 = .30$$

Step 2: Apply that proportion to the Ordinance or Law loss.

$$\$60,000 \times .30 = \$18,000$$

In this example, the most we will pay under this endorsement for the Coverage 2 loss is \$18,000, subject to the applicable Limit of Insurance and any other applicable provisions.

NOTE: The same procedure applies to losses under Coverage 1 of this endorsement.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

IDAHO AMENDATORY ENDORSEMENT

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS
PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

A. CANCELLATION

In the PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS, paragraphs 1. and 2. of condition A. CANCELLATION are replaced by the following:

1. The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation. Cancellation will be effective on the later of the date requested by the first Named Insured or the date we receive the request.

2. POLICIES IN EFFECT

a. 60 DAYS OR LESS

If this policy has been in effect for 60 days or less, we may cancel this policy by mailing or delivering to the first Named Insured written notice of cancellation at least:

- (1) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; If delivered via United States mail, the 10 day notification period begins to run 5 days following the date of postmark; or
- (2) 30 days before the effective date of cancellation if we cancel for any other reason.

b. MORE THAN 60 DAYS

If this policy has been in effect for more than 60 days, or is a renewal of a policy we issued, we may cancel this policy only for one or more of the following reasons:

- (1) Nonpayment of premium;
- (2) Fraud or material misrepresentation made by you or with your knowledge in obtaining the policy, continuing the policy or in presenting a claim under the policy;
- (3) Acts or omissions on your part which increase any hazard insured against;

- (4) Change in the risk which materially increases the risk of loss after the policy has been issued or renewed including, but not limited to, an increase in exposure due to regulation, legislation or court decision;

- (5) Loss of or decrease in reinsurance which provided us with coverage for all or part of the risk insured;

- (6) A determination by the Director of Insurance that continuation of this policy would jeopardize our solvency or place us in violation of the insurance laws of Idaho or any other state; or

- (7) Violation or breach by the insured of any policy terms or conditions other than nonpayment of premium.

We will mail or deliver written notice of cancellation to the first Named Insured at least:

- (a) 10 days before the effective date of cancellation if we cancel for nonpayment of premium; If delivered via United States mail, the 10 day notification period begins to run 5 days following the date of postmark; or
- (b) 30 days before the effective date of cancellation if we cancel for any other reason stated in 2.b. above.

B. NONRENEWAL

The following is added to the PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS and supercedes any provisions to the contrary:

NONRENEWAL

1. If we elect not to renew this policy, we will mail or deliver to the first Named Insured a written notice of intention not to renew at least 45 days prior to the expiration or anniversary date of the policy.

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2. We will mail or deliver our notice to the first Named Insured's last mailing address known to us.
3. If notice is not mailed or delivered at least 45 days before the expiration or anniversary date of this policy, this policy will remain in effect until 45 days after notice is mailed or delivered. Earned premium for the extended period of coverage will be calculated pro rata at the rates applicable to the expiring policy.
4. We need not mail or deliver this notice if:
 - a. We have offered to renew this policy;
 - b. You have obtained replacement coverage; or
 - c. You have agreed in writing to obtain replacement coverage.
5. If notice is mailed, proof of mailing will be sufficient proof of notice.

C. The following condition is added to the PREMIER BUSINESSOWNERS COMMON POLICY CONDITIONS:

CONDITIONAL RENEWAL - PREMIUM OR COVERAGE CHANGES

1. If we elect to renew this policy, we will mail or deliver written notice of any total premium increase greater than ten (10%) which is the result of a comparable increase in premium rates, change in deductible, reduction in limits or reduction in coverage to the first Named Insured, at the last mailing address known to us.
2. Any such notice will be mailed or delivered to the first Named Insured at least 30 days before the expiration or anniversary date of the policy.
3. If notice is not mailed or delivered at least 30 days before the expiration or anniversary date of the policy, the premium, deductible, limits and coverage in effect prior to the changes will remain in effect until the earlier of the following:
 - a. 30 days after notice is given; or
 - b. The effective date of replacement coverage obtained by the first Named Insured.
4. If the first Named Insured accepts the renewal, the premium increase, if any, and other changes will be effective on and after the first day of the renewal term.
5. If the first Named Insured elects not to renew, any earned premium for the resulting extended

period of coverage will be calculated pro rata at the lower of the new rates or rates applicable to the expiring policy.

6. If notice is mailed, proof of mailing will be sufficient proof of notice.

D. **AMENDMENTS TO ENDORSEMENTS**

If the CONDITIONAL EXCLUSION OF TERRORISM (RELATING TO DISPOSITION OF FEDERAL TERRORISM RISK INSURANCE ACT) endorsement, form PB0564, is a part of this policy, the following paragraph is added to B.2.

The fire coverage set forth in Paragraph B.2. does not apply to a violent act or an act that is dangerous to human life, property or infrastructure, when such acts are committed by an individual or individuals acting on behalf of any foreign person or foreign interest, as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States government by coercion.

E. **AMENDMENTS TO THE PROPERTY COVERAGE FORM**

1. Under Section H. **PROPERTY DEFINITIONS**, in Definition 2. "Actual Cash Value", the following is added:

For this calculation, all components of the cost of repair or replacement including, but not limited to:

1. materials, including tax;
2. labor, including any tax; and
3. overhead and profit;

are subject to depreciation.

The depreciation deduction may include such considerations as:

1. age;
2. condition;
3. reduction in useful life;
4. obsolescence; and
5. any pre-loss damage, including wear, tear, or deterioration;

of the damaged part of the property.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CYBER SUITE COVERAGE ENDORSEMENT

This endorsement modifies insurance provided under the follow:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

Throughout this Coverage Endorsement (hereinafter referred to as "Cyber Coverage"), the words "you" and "your" refer to the Named Insured(s) shown in the Cyber Suite Supplemental Declarations of this Cyber Coverage and any other person(s) or organization(s) qualifying as a Named Insured under this Cyber Coverage. The words "we", "us" and "our" refer to the company providing this insurance.

Other words and phrases that appear in quotations have special meaning. Refer to **DEFINITIONS**.

The terms and conditions of the Cancellation Clause of the Common Policy Conditions and any amendment to such terms incorporated by endorsement are hereby incorporated herein and shall apply to coverage as is afforded by this Cyber Coverage, unless specifically stated otherwise in an endorsement(s) attached hereto.

Under Section A. COVERAGES, 5. ADDITIONAL COVERAGES, the following Additional Coverage is added:

SECTION 1 – DATA COMPROMISE

This section lists the coverages that apply if indicated in the Cyber Suite Supplemental Declarations.

1. Data Compromise Response Expenses

- a. Data Compromise Response Expenses applies only if all of the following conditions are met:
 - (1) There has been a "personal data compromise"; and
 - (2) Such "personal data compromise" took place in the "coverage territory"; and
 - (3) Such "personal data compromise" is first discovered by you during the "policy period"; and
 - (4) Such "personal data compromise" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.
- b. If the conditions listed in a. above have been met, then we will provide coverage for the following expenses when they arise directly from such "personal data compromise" and are necessary and reasonable. Items (4) and (5) below apply only if there has been a notification of the "personal data compromise" to "affected individuals" as covered under item (3) below.

(1) Forensic IT Review

We will pay for a professional information technologies review if needed to determine, within the constraints of what is possible and reasonable, the nature and extent of the "personal data compromise" and the number and identities of the "affected individuals".

This does not include costs to analyze, research or determine any of the following:

- (a) Vulnerabilities in systems, procedures or physical security;
- (b) Compliance with Payment Card Industry or other industry security standards; or
- (c) The nature or extent of "loss" or damage to data that is not "personally identifying information" or "personally sensitive information".

If there is reasonable cause to suspect that a covered "personal data compromise" may have occurred, we will pay for costs covered under Forensic IT Review, even if it is eventually determined that there was no covered "personal data compromise". However, once it is determined that there was no covered "personal data compromise", we will not pay for any further costs.

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(2) Legal Review

We will pay for a professional legal counsel review of the “personal data compromise” and how you should best respond to it.

If there is reasonable cause to suspect that a covered “personal data compromise” may have occurred, we will pay for costs covered under Legal Review, even if it is eventually determined that there was no covered “personal data compromise”. However, once it is determined that there was no covered “personal data compromise”, we will not pay for any further costs.

(3) Notification to Affected Individuals

We will pay your necessary and reasonable costs to provide notification of the “personal data compromise” to “affected individuals”.

(4) Services to Affected Individuals

We will pay your necessary and reasonable costs to provide the following services to “affected individuals”. Services (c) and (d) below apply only to “affected individuals” from “personal data compromise” events involving “personally identifying information”.

(a) Informational Materials

A packet of loss prevention and customer support information.

(b) Help Line

A toll-free telephone line for “affected individuals” with questions about the “personal data compromise”. Where applicable, the line can also be used to request additional services as listed in (c) and (d) below.

(c) Credit Report and Monitoring

A credit report and an electronic service automatically monitoring for activities affecting an individual's credit records. This service is subject to the “affected individual” enrolling for this service with the designated service provider.

(d) Identity Restoration Case Management

As respects any “affected individual” who is or appears to be a victim of “identity theft” that may reasonably have arisen from the “personal data compromise”, the services of an identity restoration professional who will assist that “affected individual” through the process of correcting credit and other records and, within the constraints of what is possible and reasonable, restoring control over his or her personal identity.

(5) Public Relations

We will pay for a professional public relations firm review of, and response to, the potential impact of the “personal data compromise” on your business relationships.

This includes necessary and reasonable costs to implement public relations recommendations of such firm. This may include advertising and special promotions designed to retain your relationship with “affected individuals”. However, we will not pay for:

- (a) Promotions provided to any of your directors or employees; or
- (b) Promotion costs exceeding \$25 per “affected individual”.

(6) Regulatory Fines and Penalties

We will pay for any fine or penalty imposed by law, to the extent such fine or penalty is legally insurable under the law of the applicable jurisdiction.

(7) PCI Fines and Penalties

We will pay for any Payment Card Industry fine or penalty imposed under a contract to which you are a party. PCI Fines and Penalties do not include any increased transaction costs.

SECTION 2 -Computer Attack

a. Computer Attack applies only if all of the following conditions are met:

- (1) There has been a “computer attack”; and
- (2) Such “computer attack” occurred in the “coverage territory”; and
- (3) Such “computer attack” is first

discovered by you during the "policy period"; and

(4) Such "computer attack" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you.

b. If the conditions listed in a. above have been met, then we will provide you the following coverages for "loss" directly arising from such "computer attack".

(1) Data Restoration

We will pay your necessary and reasonable "data restoration costs".

(2) Data Re-creation

We will pay your necessary and reasonable "data re-creation costs".

(3) System Restoration

We will pay your necessary and reasonable "system restoration costs".

(4) Loss of Business

We will pay your actual "business income and extra expense loss" incurred during the "period of restoration".

(5) Extended Income Recovery

If you suffer a covered "business income and extra expense loss" resulting from a "computer attack" on a "computer system" owned or leased by you and operated under your control, we will pay your actual "extended income loss".

(6) Public Relations

If you suffer a covered "business income and extra expense loss", we will pay for the services of a professional public relations firm to assist you in communicating your response to the "computer attack" to the media, the public and your customers, clients or members.

Section 3 - Cyber Extortion

a. Cyber Extortion applies only if all of the following conditions are met:

(1) There has been a "cyber extortion threat"; and

(2) Such "cyber extortion threat" is first made against you during the "policy period"; and

(3) Such "cyber extortion threat" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first made against you.

b. If the conditions listed in a. above have been met, then we will pay for your necessary and reasonable "cyber extortion expenses" arising directly from such "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

c. You must make every reasonable effort not to divulge the existence of this Cyber Extortion coverage.

Section 4 - Misdirected Payment Fraud

a. Misdirected Payment Fraud applies only if all of the following conditions are met:

(1) There has been a "wrongful transfer event" against you;

(2) Such "wrongful transfer event" took place in the "coverage territory";

(3) Such "wrongful transfer event" is first discovered by you during the "policy period";

(4) Such "wrongful transfer event" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first discovered by you; and

(5) Such "wrongful transfer event" is reported in writing by you to the police.

b. If the conditions listed above in a. have been met, then we will pay your necessary and reasonable "wrongful transfer costs" arising directly from the "wrongful transfer event".

Section 5 - Computer Fraud

a. Computer Fraud applies only if all of the following conditions are met:

(1) There has been a "computer fraud event" against you; and

(2) Such "computer fraud event" took place in the "coverage territory"; and

(3) Such "computer fraud event" is first discovered by you during the "policy period"; and

(4) Such "computer fraud event" is reported to us within 60 days after the date it is first discovered by you; and

(5) Such "computer fraud event" is reported in writing by you to the police.

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- b. If the conditions listed in a. above have been met, then we will pay your necessary and reasonable "computer fraud costs" arising directly from the "computer fraud event".

Section 6 - Data Compromise Liability

- a. Data Compromise Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of one of the following:
 - (a) A "claim"; or
 - (b) A "regulatory proceeding".
 - (2) Such "claim" or "regulatory proceeding" must arise from a "personal data compromise" that:
 - (a) Took place during the "coverage term";
 - (b) Took place in the "coverage territory"; and
 - (c) Was submitted to us and insured under Data Compromise Response Expenses.
 - (3) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered:
 - (1) "Loss" directly arising from the "claim"; or
 - (2) "Defense costs" directly arising from a "regulatory proceeding".
- c. All "claims" and "regulatory proceedings" arising from a single "personal data compromise" or interrelated "personal data compromises" will be deemed to have been made at the time that notice of the first of those "claims" or "regulatory proceedings" is received by you.

Section 7 - Network Security Liability

- a. Network Security Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from a "network security incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage

territory"; and

- (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.

- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "network security incident" or interrelated "network security incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

Section 8 - Electronic Media Liability

- a. Electronic Media Liability applies only if all of the following conditions are met:
 - (1) During the "policy period" or any applicable Extended Reporting Period, you first receive notice of a "claim" which arises from an "electronic media incident" that:
 - (a) Took place during the "coverage term"; and
 - (b) Took place in the "coverage territory"; and
 - (2) Such "claim" is reported to us as soon as practicable, but in no event more than 60 days after the date it is first received by you.
- b. If the conditions listed in a. above have been met, then we will pay on your behalf any covered "loss" directly arising from the "claim".
- c. All "claims" arising from a single "electronic media incident" or interrelated "electronic media incidents" will be deemed to have been made at the time that notice of the first of those "claims" is received by you.

Section 9 - Identity Recovery

- a. Identity Recovery applies only if all of the following conditions are met:
 - (1) There has been an "identity theft" involving the personal identity of an "identity recovery insured" under this Cyber Coverage; and
 - (2) Such "identity theft" took place in the "coverage territory"; and
 - (3) Such "identity theft" is first discovered by the "identity recovery insured" during the "policy period"; and
 - (4) Such "identity theft" is reported to us

within 60 days after it is first discovered by the "identity recovery insured".

- b. If the conditions listed in a. above have been met, then we will provide the following to the "identity recovery insured":

(1) Case Management Service

We will pay for the services of an "identity recovery case manager" as needed to respond to the "identity theft"; and

(2) Expense Reimbursement

We will pay for reimbursement of necessary and reasonable "identity recovery expenses" incurred as a direct result of the "identity theft".

EXCLUSIONS

EXCLUSIONS

The following additional exclusions apply to this coverage:

We will not pay for costs or "loss" arising from the following:

1. Nuclear reaction or radiation or radioactive contamination, however caused.
2. War and military action including any of the following and any consequence of any of the following:
 - a. War, including undeclared or civil war;
 - b. Warlike action by military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
 - c. Insurrection, rebellion, revolution, usurped power, political violence or action taken by governmental authority in hindering or defending against any of these.
3. Failure or interruption of, or damage to, any electrical power supply network or telecommunications network not owned and operated by you including, but not limited to, the internet, internet service providers, Domain Name System (DNS) service providers, cable and wireless providers, internet exchange providers, search engine providers, internet protocol networks (and similar networks that may have different designations) and other providers of telecommunications or internet infrastructure.

4. Any attack on, incident involving, or loss to any computer or system of computers that is not a "computer system".
5. Costs to research or correct any deficiency.
6. Any fines or penalties other than those explicitly covered under Data Compromise Response Expenses.
7. Any criminal investigations or proceedings.
8. Your intentional or willful complicity in a covered "loss" event.
9. Your reckless disregard for the security of your "computer system" or data, including confidential or sensitive information of others in your care, custody or control.
10. Any criminal, fraudulent or dishonest act, error or omission, or any intentional or knowing violation of the law by you.
11. Any "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "wrongful act" occurring before the "coverage term".
12. That part of any "claim" seeking any non-monetary relief. However, this exclusion does not apply to "defense costs" arising from an otherwise insured "wrongful act".
13. The propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers in connection with hardware or software created, produced or modified by you for sale, lease or license to third parties.
14. Any oral or written publication of material, if done by you or at your direction with knowledge of its falsity.
15. "Property damage" or "bodily injury" other than mental anguish or mental injury alleged in a "claim" covered under Electronic Media Liability.
16. The theft of a professional or business identity.
17. Any fraudulent, dishonest or criminal act by an "identity recovery insured" or any person aiding or abetting an "identity recovery insured", or by any "authorized representative" of an "identity recovery insured", whether acting alone or in collusion with others. However, this exclusion will not apply to the interests of an "identity recovery insured" who has no knowledge of or involvement in such fraud, dishonesty or criminal act.
18. An "identity theft" that is not reported in writing to the police.

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LIMITS OF INSURANCE

1. Aggregate Limits

Except for post-judgment interest, the Annual Aggregate Limit for each coverage section shown in the Cyber Suite Supplemental Declarations is the most we will pay for all "loss" under that coverage section in any one "policy period" or any applicable Extended Reporting Period. The Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations applies regardless of the number of insured events first discovered or "claims" or "regulatory proceedings" first received during the "policy period" or any applicable Extended Reporting Period.

2. Coverage Sublimits

a. Data Compromise Sublimits

The most we will pay under Data Compromise Response Expenses for Forensic IT Review, Legal Review, Public Relations, Regulatory Fines and Penalties and PCI Fines and Penalties coverages for "loss" arising from any one "personal data compromise" is the applicable sublimit for each of those coverages shown in the Cyber Suite Supplemental Declarations.

These sublimits are part of, and not in addition to, the Data Compromise Response Expenses Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations. Public Relations coverage is also subject to a limit per "affected individual" as described in A.1.b.(5).

b. Computer Attack Sublimits

The most we will pay under Computer Attack for Loss of Business and Extended Income Recovery coverages for "loss" arising from any one "computer attack" is the applicable Loss of Business sublimit shown in the Cyber Suite Supplemental Declarations. The most we will pay under Computer Attack for Public Relations coverage for "loss" arising from any one "computer attack" is the applicable Public Relations sublimit shown in the Cyber Suite Supplemental Declarations. These sublimits are part of, and not in addition to, the Computer Attack Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations.

c. Cyber Extortion Sublimit

The most we will pay under Cyber Extortion coverage for "loss" arising from one "cyber extortion threat" is the applicable sublimit shown in the Cyber

Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the Computer Attack Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations.

d. Misdirected Payment Fraud Sublimit

The most we will pay under Misdirected Payment Fraud coverage for "loss" arising from one "wrongful transfer event" is the applicable sublimit shown in the Cyber Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the Computer Attack Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations.

e. Computer Fraud Sublimit

The most we will pay under Computer Fraud coverage for "loss" arising from one "computer fraud event" is the applicable sublimit shown in the Cyber Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the Computer Attack Annual Aggregate Limit shown in the Cyber Suite Supplemental Declarations.

f. Identity Recovery Sublimits

The following provisions are applicable only to the Identity Recovery Coverage.

- (1) Case Management Service is available as needed for any one "identity theft" for up to 12 consecutive months from the inception of the service. Expenses we incur to provide Case Management Services do not reduce the annual aggregate limit for Identity Recovery.
- (2) Costs covered under item d. (Legal Costs) of the definition of "identity recovery expenses" are part of, and not in addition to, the annual aggregate limit for Identity Recovery.
- (3) Costs covered under item e. (Lost Wages) and item f. (Child and Elder Care Expenses) of the definition of "identity recovery expenses" are jointly subject to the Lost Wages and Child and Elder Care sublimit shown in the Cyber Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the annual aggregate limit for Identity Recovery. Coverage is limited to wages lost and expenses incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

(4) Costs covered under item g. (Mental Health Counseling) of the definition of "identity recovery expenses" is subject to the Mental Health Counseling sublimit shown in the Cyber Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the annual aggregate limit for Identity Recovery. Coverage is limited to counseling that takes place within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

(5) Costs covered under item h. (Miscellaneous Unnamed Costs) of the definition of "identity recovery expenses" is subject to the Miscellaneous Unnamed Costs sublimit shown in the Cyber Suite Supplemental Declarations. This sublimit is part of, and not in addition to, the annual aggregate limit for Identity Recovery. Coverage is limited to costs incurred within 12 months after the first discovery of the "identity theft" by the "identity recovery insured".

3. Application of Limits

- a. A "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" may be first discovered by you in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" will be subject to the limit of insurance applicable to the "policy period" when the "computer attack", "cyber extortion threat", "personal data compromise", "wrongful transfer event", "computer fraud event" or "identity theft" was first discovered by you.
- b. You may first receive notice of a "claim" or "regulatory proceeding" in one "policy period" but it may cause insured "loss" in one or more subsequent "policy periods". If so, all insured "loss" arising from such "claim" or "regulatory proceeding" will be subject to the limit of insurance applicable to the "policy period" when notice of the "claim" or "regulatory proceeding" was first received by you.
- c. The limit of insurance for the Extended Reporting Periods (if applicable) will be

part of, and not in addition to, the limit of insurance for the immediately preceding "policy period".

- d. Coverage for Services to Affected Individuals under Data Compromise Response Expenses is limited to costs to provide such services for a period of up to one year from the date of the notification to the "affected individuals". Notwithstanding, coverage for Identity Restoration Case Management services initiated within such one year period may continue for a period of up to one year from the date such Identity Restoration Case Management services are initiated.

DEDUCTIBLES

1. We will not pay for "loss" until the amount of the insured "loss" exceeds the deductible amount shown in the Cyber Suite Supplemental Declarations. We will then pay the amount of "loss" in excess of the applicable deductible amount, subject to the applicable limits shown in the Cyber Suite Supplemental Declarations. You will be responsible for the applicable deductible amount.
2. The deductible will apply to all:
 - a. "Loss" arising from the same insured event or interrelated insured events under Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, or Computer Fraud.
 - b. "Loss" resulting from the same "wrongful act" or interrelated "wrongful acts" insured under Data Compromise Liability, Network Security Liability or Electronic Media Liability.
3. In the event that "loss" is insured under more than one coverage section, only the single highest deductible applies.
4. Insurance coverage under Identity Recovery is not subject to a deductible.

ADDITIONAL CONDITIONS

The following conditions apply in addition to the Common Policy Conditions:

1. Bankruptcy

The bankruptcy or insolvency of you or your estate, will not relieve you or us of any obligation under this Cyber Coverage.

2. Defense And Settlement

- a. We shall have the right and the duty to assume the defense of any applicable "claim" or "regulatory proceeding"

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against you. You shall give us such information and cooperation as we may reasonably require.

- b. You shall not admit liability for or settle any "claim" or "regulatory proceeding" or incur any defense costs without our prior written consent.
- c. At the time a "claim" or "regulatory proceeding" is first reported to us, you may request that we appoint a defense attorney of your choice. We will give full consideration to any such request.
- d. If you refuse to consent to any settlement recommended by us and acceptable to the claimant, we may then withdraw from your defense by tendering control of the defense to you. From that point forward, you shall, at your own expense, negotiate or defend such "claim" or "regulatory proceeding" independently of us. Our liability shall not exceed the amount for which the "claim" or suit could have been settled if such recommendation was consented to, plus "defense costs" incurred by us, and "defense costs" incurred by you with our written consent, prior to the date of such refusal.
- e. We will not be obligated to pay any "loss" or "defense costs", or to defend or continue to defend any "claim" or "regulatory proceeding" after the applicable limit of insurance has been exhausted.
- f. We will pay all interest on that amount of any judgment within the applicable limit of insurance which accrues:
 - (1) After entry of judgment; and
 - (2) Before we pay, offer to pay or deposit in court that part of the judgment within the applicable limit of insurance or, in any case, before we pay or offer to pay the entire applicable limit of insurance.

These interest payments will be in addition to and not part of the applicable limit of insurance.

3. Due Diligence

You agree to use due diligence to prevent and mitigate "loss" insured under this Cyber Coverage. This includes, but is not limited to, complying with, and requiring your vendors to comply with, reasonable and industry-accepted protocols for:

- a. Providing and maintaining appropriate physical security for your premises, "computer systems" and hard copy files;
- b. Providing and maintaining appropriate computer and Internet security;

- c. Maintaining and updating at appropriate intervals backups of computer data;
- d. Protecting transactions, such as processing credit card, debit card and check payments; and
- e. Appropriate disposal of files containing "personally identifying information", "personally sensitive information" or "third party corporate data", including shredding hard copy files and destroying physical media used to store electronic data.

4. Duties in the Event of a Claim, Regulatory Proceeding or Loss

- a. If, during the "policy period", incidents or events occur which you reasonably believe may give rise to a "claim" or "regulatory proceeding" for which coverage may be provided hereunder, such belief being based upon either written notice from the potential claimant or the potential claimant's representative; or notice of a complaint filed with a federal, state or local agency; or upon an oral "claim", allegation or threat, you shall give written notice to us as soon as practicable and either:
 - (1) Anytime during the "policy period"; or
 - (2) Anytime during the extended reporting periods (if applicable).
- b. If a "claim" or "regulatory proceeding" is brought against you, you must:
 - (1) Immediately record the specifics of the "claim" or "regulatory proceeding" and the date received;
 - (2) Provide us with written notice, as soon as practicable, but in no event more than 60 days after the date the "claim" or "regulatory proceeding" is first received by you;
 - (3) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim" or "regulatory proceeding";
 - (4) Authorize us to obtain records and other information;
 - (5) Cooperate with us in the investigation, settlement or defense of the "claim" or "regulatory proceeding";
 - (6) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to you because of "loss" or "defense costs" to which this

insurance may also apply; and

- (7) Not take any action, or fail to take any required action, that prejudices your rights or our rights with respect to such "claim" or "regulatory proceeding".
- c. In the event of a "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft", insured under this Cyber Coverage, you and any involved "identity recovery insured" must see that the following are done:
 - (1) Notify the police if a law may have been broken.
 - (2) Notify us as soon as practicable, but in no event more than 60 days after the "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft". Include a description of any property involved.
 - (3) As soon as possible, give us a description of how, when and where the "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft" occurred.
 - (4) As often as may be reasonably required, permit us to:
 - (a) Inspect the property proving the "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft";
 - (b) Examine your books, records, electronic media and records and hardware;
 - (c) Take samples of damaged and undamaged property for inspection, testing and analysis; and
 - (d) Make copies from your books, records, electronic media and records and hardware.
 - (5) Send us signed, sworn proof of "loss" containing the information we request to investigate the "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft". You must do this within 60 days after our request. We will supply you with the

necessary forms.

- (6) Cooperate with us in the investigation or settlement of the "personal data compromise", "computer attack", "cyber extortion threat", "wrongful transfer event", "computer fraud event" or "identity theft".
- (7) If you intend to continue your business, you must resume all or part of your operations as quickly as possible.
- (8) Make no statement that will assume any obligation or admit any liability, for any "loss" for which we may be liable, without our prior written consent.
- (9) Promptly send us any legal papers or notices received concerning the "loss".
- d. We may examine you under oath at such times as may be reasonably required, about any matter relating to this insurance or the "claim", "regulatory proceeding" or "loss", including your books and records. In the event of an examination, your answers must be signed.
- e. You may not, except at your own cost, voluntarily make a payment, assume any obligation, or incur any expense without our prior written consent.

Extended Reporting Periods

- a. You will have the right to the Extended Reporting Periods described in this section, in the event of a "termination of coverage".
- b. If a "termination of coverage" has occurred, you will have the right to the following:
 - (1) At no additional premium, an Automatic Extended Reporting Period of 30 days immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage; and
 - (2) Upon payment of the additional premium of 100% of the full annual premium associated with the

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relevant coverage, a Supplemental Extended Reporting Period of one year immediately following the effective date of the "termination of coverage" during which you may first receive notice of a "claim" or "regulatory proceeding" arising directly from a "wrongful act" occurring before the end of the "policy period" and which is otherwise insured by this Cyber Coverage.

To obtain the Supplemental Extended Reporting Period, you must request it in writing and pay the additional premium due, within 30 days after the effective date of "termination of coverage". The additional premium for the Supplemental Extended Reporting Period will be fully earned at the inception of the Supplemental Extended Reporting Period. If we do not receive the written request as required, you may not exercise this right at a later date.

This insurance, provided during the Supplemental Extended Reporting Period, is excess over any other valid and collectible insurance that begins or continues in effect after the Supplemental Extended Reporting Period becomes effective, whether the other insurance applies on a primary, excess, contingent, or any other basis.

Identity Recovery Help Line

For assistance, if Identity Recovery applies, the "identity recovery insured" should call the **Identity Recovery Help Line at 1-877-800-5028**.

The **Identity Recovery Help Line** can provide the "identity recovery insured" with:

- a. Information and advice for how to respond to a possible "identity theft"; and
- b. Instructions for how to submit a service request for Case Management Service and/or a claim form for Expense Reimbursement Coverage.

In some cases, we may provide Case Management services at our expense to an "identity recovery insured" prior to a determination that a covered "identity theft" has occurred. Our provision of such services is not an admission of liability under the Cyber Coverage. We reserve the right to deny further coverage or service if, after

investigation, we determine that a covered "identity theft" has not occurred.

As respects Expense Reimbursement Coverage, the "identity recovery insured" must send to us, within 60 days after our request, receipts, bills or other records that support his or her "claim" for "identity recovery expenses".

Legal Action Against Us

No one may bring a legal action against us under this insurance unless:

- a. There has been full compliance with all of the terms of this insurance; and
- b. The action is brought within two years after the date the "loss" or "identity theft" is first discovered by you, or the date on which you first receive notice of a "claim" or "regulatory proceeding".

Legal Advice

We are not your legal advisor. Our determination of what is or is not insured under this Cyber Coverage does not represent advice or counsel from us about what you should or should not do.

Other Insurance

If there is other insurance that applies to the same "loss", this Cyber Coverage shall apply only as excess insurance after all other applicable insurance has been exhausted.

Pre-Notification Consultation

You agree to consult with us prior to the issuance of notification to "affected individuals". We assume no responsibility under Data Compromise Response Expenses for any services promised to "affected individuals" without our prior agreement. If possible, this pre-notification consultation will also include the designated service provider(s) as agreed to under the Service Providers condition below. You must provide the following at our pre-notification consultation with you:

- a. The exact list of "affected individuals" to be notified, including contact information.
- b. Information about the "personal data compromise" that may appropriately be communicated with "affected individuals".
- c. The scope of services that you desire for the "affected individuals". For example, coverage may be structured to provide fewer services in order to make those services available to more "affected individuals" without exceeding the available Data

Compromise Response Expenses limit of insurance.

Service Providers

- a. We will only pay under this Cyber Coverage for services that are provided by service providers approved by us. You must obtain our prior approval for any service provider whose expenses you want covered under this Cyber Coverage. We will not unreasonably withhold such approval.
- b. Prior to the Pre-Notification Consultation described in the Pre-Notification Consultation Condition above, you must come to agreement with us regarding the service provider(s) to be used for the Notification to Affected Individuals and Services to Affected Individuals. We will suggest a service provider. If you prefer to use an alternate service provider, our coverage is subject to the following limitations:
 - (1) Such alternate service provider must be approved by us;
 - (2) Such alternate service provider must provide services that are reasonably equivalent or superior in both kind and quality to the services that would have been provided by the service provider we had suggested; and
 - (3) Our payment for services provided by any alternate service provider will not exceed the amount that we would have paid using the service provider we had suggested.

Services

The following conditions apply as respects any services provided to you or any "affected individual" or "identity recovery insured" by us, our designees or any service firm paid for in whole or in part under this Cyber Coverage:

- a. The effectiveness of such services depends on the cooperation and assistance of you, "affected individuals" and "identity recovery insureds".
- b. All services may not be available or applicable to all individuals. For example, "affected individuals" and "identity recovery insureds" who are minors or foreign nationals may not have credit records that can be provided or monitored. Service in Canada will be different from service in the United States and Puerto Rico in accordance with local conditions.
- c. We do not warrant or guarantee that the services will end or eliminate all problems

associated with the covered events.

- d. Except for the services of an "identity recovery case manager" under Identity Recovery, which we will provide directly, you will have a direct relationship with the professional service firms paid for in whole or in part under this Cyber Coverage. Those firms work for you.

Valuation

We will determine the value of "money" as follows:

Our payment for loss of "money" or loss payable in "money" will be, at your option, in the "money" of the country in which the "wrongful transfer event" or "computer fraud event" took place or in the United States of America dollar equivalent thereof determined at the rate of exchange published by the Wall Street Journal at the time of payment of such loss.

DEFINITIONS

1. **"Affected Individual"** means any person whose "personally identifying information" or "personally sensitive information" is lost, stolen, accidentally released or accidentally published by a "personal data compromise" covered under this Cyber Coverage. This definition is subject to the following provisions:
 - a. "Affected individual" does not include any business or organization. Only an individual person may be an "affected individual".
 - b. An "affected individual" may reside anywhere in the world.
2. **"Authorized Representative"** means a person or entity authorized by law or contract to act on behalf of an "identity recovery insured".
3. **"Authorized Third Party User"** means a party who is not an employee or a director of you who is authorized by contract or other agreement to access the "computer system" for the receipt or delivery of services.
4. **"Bodily Injury"** means bodily injury, sickness or disease sustained by a person, including death resulting from any of these at any time.
5. **"Business Income and Extra Expense Loss"** means loss of Business Income and Extra Expense.
 - a. As used in this definition, Business Income means the sum of:
 - (1) Net income (net profit or loss before income taxes) that would have been

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earned or incurred; and

(2) Continuing normal and necessary operating expenses incurred, including employee and director payroll.

b. As used in this definition, Extra Expense means the additional cost you incur to operate your business over and above the cost that you normally would have incurred to operate your business during the same period had no "computer attack" occurred.

6. "Claim"

a. "Claim" means:

(1) A written demand for monetary damages or non-monetary relief, including injunctive relief;

(2) A civil proceeding commenced by the filing of a complaint;

(3) An arbitration proceeding in which such damages are claimed and to which you must submit or do submit with our consent;

(4) Any other alternative dispute resolution proceeding in which such damages are claimed and to which you must submit or to which we agree you should submit to;

arising from a "wrongful act" or a series of interrelated "wrongful acts" including any resulting appeal.

b. "Claim" does not mean or include:

(1) Any demand or action brought by or on behalf of someone who is:

(a) Your director;

(b) Your owner or part-owner; or

(c) A holder of your securities;

in their capacity as such, whether directly, derivatively, or by class action. "Claim" will include proceedings brought by such individuals in their capacity as "affected individuals", but only to the extent that the damages claimed are the same as would apply to any other "affected individual"; or

(2) A "regulatory proceeding".

c. Includes a demand or proceeding arising from a "wrongful act" that is a "personal data compromise" only when the "personal data compromise" giving rise to the proceeding was covered under Data Compromise Response Expenses section of this Cyber Coverage, and you submitted a "claim" to us and provided notifications and services to "affected

individuals" in consultation with us pursuant to Data Compromise Response Expenses in connection with such "personal data compromise".

7. "Computer Attack"

a. "Computer attack" means one of the following involving the "computer system":

(1) An "unauthorized access incident";

(2) A "malware attack"; or

(3) A "denial of service attack" against a "computer system".

b. A "computer attack" ends at the earlier of:

(1) The time that the active attacking behavior ceases, the time that you have regained control over the "computer system" or the time that all unauthorized creation, destruction or movement of data associated with the "computer attack" has ceased, whichever happens latest; or

(2) 30 days after your discovery of the "computer attack".

8. "Computer System" means a computer or other electronic hardware that:

a. Is owned or leased by you and operated under your control; or

b. Is operated by a third party service provider used for the purpose of providing hosted computer application services to you or for processing, maintaining, hosting or storing your electronic data, pursuant to a written contract with you for such services. However, such computer or other electronic hardware operated by such third party shall only be considered to be a "computer system" with respect to the specific services provided by such third party to you under such contract.

9. "Computer Fraud Costs" means

a. The amount of "money" fraudulently obtained from you. "Computer fraud costs" include the direct financial loss only.

b. "Computer fraud costs" do not include any of the following:

(1) Other expenses that arise from the "computer fraud event";

(2) Indirect loss, such as "bodily injury", lost time, lost wages, "identity

recovery expenses" or damaged reputation;

(3) Any interest, time value or potential investment gain on the amount of financial loss; or

(4) Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

10. "Computer Fraud Event" means:

a. An "unauthorized access incident" that leads to the intentional, unauthorized and fraudulent entry of or change to data or instructions within a "computer system" owned or leased by you and operated under your control. Such fraudulent entry or change must be conducted by a person who is not an "employee", "executive" or "independent contractor". Such fraudulent entry or change must cause "money" to be sent or diverted. The fraudulent entry or change must result in direct financial loss to you.

b. "Computer fraud event" does not mean or include any occurrence:

(1) In which you are threatened or coerced to send money or divert a payment; or

(2) Arising from a dispute or a disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

11. "Coverage Term" means the increment of time:

a. Commencing on the earlier of the first inception date of this Cyber Coverage or the first inception date of any coverage substantially similar to that described in this Cyber Coverage and held immediately prior to this Cyber coverage; and

b. Ending upon the "termination of coverage".

12. "Coverage Territory" means:

a. With respect to Data Compromise Response Expenses, Computer Attack, Cyber Extortion, Misdirected Payment Fraud, Computer Fraud and Identity Recovery, "coverage territory" means anywhere in the world.

b. With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, "coverage

territory" means anywhere in the world, however "claims" must be brought within the United States (including its territories and possessions) or Puerto Rico.

13. "Cyber Extortion Expenses" means:

a. The cost of a negotiator or investigator retained by you in connection with a "cyber extortion threat"; and

b. Any amount paid by you in response to a "cyber extortion threat" to the party that made the "cyber extortion threat" for the purposes of eliminating the "cyber extortion threat" when such expenses are necessary and reasonable and arise directly from a "cyber extortion threat". The payment of "cyber extortion expenses" must be approved in advance by us. We will not pay for "cyber extortion expenses" that have not been approved in advance by us. We will not unreasonably withhold our approval.

14. "Cyber Extortion Threat" means:

a. "Cyber extortion threat" means a demand for money from you based on a credible threat, or series of related credible threats, to:

(1) Launch a "denial of service attack" against the "computer system" for the purpose of denying "authorized third party users" access to your services provided through the "computer system" via the Internet;

(2) Gain access to a "computer system" and use that access to steal, release or publish "personally identifying information", "personally sensitive information" or "third party corporate data";

(3) Alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system";

(4) Launch a "computer attack" against a "computer system" in order to alter, damage or destroy electronic data or software while such electronic data or software is stored within a "computer system"; or

(5) Cause you to transfer, pay or deliver any funds or property using a "computer system" without your authorization.

b. "Cyber extortion threat" does not mean or include any threat made in connection with a legitimate commercial dispute.

15. "Data Re-creation Costs"

a. "Data re-creation costs" means the costs

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of an outside professional firm hired by you to research, re- create and replace data that has been lost or corrupted and for which there is no electronic source available or where the electronic source does not have the same or similar functionality to the data that has been lost or corrupted.

b. "Data re-creation costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

16. "Data Restoration Costs"

a. "Data restoration costs" means the costs of an outside professional firm hired by you to replace electronic data that has been lost or corrupted. In order to be considered "data restoration costs", such replacement must be from one or more electronic sources with the same or similar functionality to the data that has been lost or corrupted.

b. "Data restoration costs" does not mean or include costs to research, re-create or replace:

(1) Software programs or operating systems that are not commercially available; or

(2) Data that is obsolete, unnecessary or useless to you.

17. "Defense Costs"

a. "Defense costs" means reasonable and necessary expenses consented to by us resulting solely from the investigation, defense and appeal of any "claim" or "regulatory proceeding" against you. Such expenses may include premiums for any appeal bond, attachment bond or similar bond. However, we have no obligation to apply for or furnish such bond.

b. "Defense costs" does not mean or include the salaries or wages of your employees or directors, or your loss of earnings.

18. "Denial of Service Attack" means an intentional attack against a target computer or network of computers designed to overwhelm the capacity of the target computer or network in order to deny or impede authorized users from gaining access to the target computer or network through the Internet.

19. "Electronic Media Incident" means an allegation that the display of information in

electronic form by you on a website resulted in:

a. Infringement of another's copyright, title, slogan, trademark, trade name, trade dress, service mark or service name;

b. Defamation against a person or organization that is unintended; or

c. A violation of a person's right of privacy, including false light and public disclosure of private facts.

20. "Employee" means any natural person, other than an "executive", who was, now is or will be:

a. Employed on a full-time or part-time basis by you;

b. Furnished temporarily to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions;

c. Leased to you by a labor leasing firm under an agreement between you and the labor leasing firm to perform duties related to the conduct of your business, but does not mean a temporary employee as defined in paragraph b.; or

d. Your volunteer worker, which includes unpaid interns.

21. "Executive" means any natural person who was, now is or will be:

a. The owner of your sole proprietorship; or

b. A duly elected or appointed:

(1) Director;

(2) Officer;

(3) Managing Partner;

(4) General Partner;

(5) Member (if a limited liability company);

(6) Manager (if a limited liability company); or

(7) Trustee;
of your business.

22. "Extended Income Loss" means your actual "business income and extra expense loss" incurred during the "extended recovery period".

23. "Extended Recovery Period" means a fixed period of 180 days immediately following the end of the "period of

restoration".

24. "Identity Recovery Case Manager" means one or more individuals assigned by us to assist an "identity recovery insured" with communications we deem necessary for re-establishing the integrity of the personal identity of the "identity recovery insured". This includes, with the permission and cooperation of the "identity recovery insured", written and telephone communications with law enforcement authorities, governmental agencies, credit agencies and individual creditors and businesses.

25. "Identity Recovery Expenses" means the following when they are reasonable and necessary expenses that are incurred as a direct result of an "identity theft" suffered by an "identity recovery insured":

a. Re-Filing Costs

Costs for re-filing applications for loans, grants or other credit instruments that are rejected solely as a result of an "identity theft".

b. Notarization, Telephone and Postage Costs

Costs for notarizing affidavits or other similar documents, long distance telephone calls and postage solely as a result of the "identity recovery insured's" efforts to report an "identity theft" or amend or rectify records as to the "identity recovery insured's" true name or identity as a result of an "identity theft".

c. Credit Reports

Costs for credit reports from established credit bureaus.

d. Legal Costs

Fees and expenses for an attorney approved by us for the following:

- (1) The defense of any civil suit brought against an "identity recovery insured".
- (2) The removal of any civil judgment wrongfully entered against an "identity recovery insured".
- (3) Legal assistance for an "identity recovery insured" at an audit or hearing by a governmental agency.
- (4) Legal assistance in challenging the accuracy of the "identity recovery insured's" consumer credit report.
- (5) The defense of any criminal charges brought against an "identity recovery insured" arising from the actions of a third party using the personal identity of the "identity recovery insured".

e. Lost Wages

Actual lost wages of the "identity recovery insured" for time reasonably and necessarily taken away from work and away from the work premises. Time away from work includes partial or whole work days. Actual lost wages may include payment for vacation days, discretionary days, floating holidays and paid personal days. Actual lost wages does not include sick days or any loss arising from time taken away from self-employment. Necessary time off does not include time off to do tasks that could reasonably have been done during non-working hours.

f. Child and Elder Care Expenses

Actual costs for supervision of children or elderly or infirm relatives or dependents of the "identity recovery insured" during time reasonably and necessarily taken away from such supervision. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".

g. Mental Health Counseling

Actual costs for counseling from a licensed mental health professional. Such care must be provided by a professional care provider who is not a relative of the "identity recovery insured".

h. Miscellaneous Unnamed Costs

Any other reasonable costs necessarily incurred by an "identity recovery insured" as a direct result of the "identity theft".

(1) Such costs include:

- (a) Costs by the "identity recovery insured" to recover control over his or her personal identity.
- (b) Deductibles or service fees from financial institutions.

(2) Such costs do not include:

- (a) Costs to avoid, prevent or detect "identity theft" or other loss.
- (b) Money lost or stolen.
- (c) Costs that are restricted or excluded elsewhere in this Cyber Coverage or policy.

26. "Identity Recovery Insured" means the following:

- a. When the entity insured under this Cyber Coverage is a sole proprietorship, the "identity recovery insured" is the individual person who is the sole proprietor of the insured identity.
- b. When the entity insured under this Cyber Coverage is a partnership, the "identity

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recovery insureds" are the current partners.

- c. When the entity insured under this Cyber Coverage is a corporation or other form of organization, other than those described in a. or b. above, the "identity recovery insureds" are all individuals having an ownership position of 20% or more of the insured entity. However, if, and only if, there is no one who has such an ownership position, then the "identity recovery insured" will be:

- (1) The chief executive of the insured entity; or
- (2) As respects a religious institution, the senior ministerial employee.

An "identity recovery insured" must always be an individual person. If the entity insured under this Cyber Coverage is a legal entity, that legal entity is not an "identity recovery insured".

27. "Identity Theft"

- a. "Identity theft" means the fraudulent use of "personally identifying information". This includes fraudulently using such information to establish credit accounts, secure loans, enter into contracts or commit crimes.
- b. "Identity theft" does not mean or include the fraudulent use of a business name, d/b/a or any other method of identifying a business activity.

28. "Independent Contractor" means a natural person that provides goods or services to you under terms specified in a written contract, but only while acting on behalf of, at the direction of, and under the supervision of you.

29. "Loss"

- a. With respect to Data Compromise Response Expenses, "loss" means those expenses enumerated in Data Compromise Response Expenses, paragraph b.
- b. With respect to Computer Attack, "loss" means those expenses enumerated in Computer Attack, paragraph b.
- c. With respect to Cyber Extortion, "loss" means "cyber extortion expenses".
- d. With respect to Misdirected Payment Fraud, "loss" means "wrongful transfer costs".
- e. With respect to Computer Fraud, "loss" means "computer fraud costs".
- f. With respect to Data Compromise Liability, Network Security Liability and Electronic Media Liability, "loss" means "defense costs" and "settlement costs".
- g. With respect to Identity Recovery, "loss"

means those expenses enumerated in Identity Recovery, paragraph b.

30. "Malware Attack"

- a. "Malware attack" means an attack that damages a "computer system" or data contained therein arising from malicious code, including viruses, worms, Trojans, spyware and keyloggers.
- b. "Malware attack" does not mean or include damage from shortcomings or mistakes in legitimate electronic code or damage from code installed on your "computer system" during the manufacturing process or normal maintenance.

31. "Money" means:

- a. "Money" means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, banknotes, bullion, travelers' checks, registered checks and money orders held for sale to the public.
- b. "Money" does not mean or include any cryptocurrency, whether or not authorized or adopted by a domestic or foreign government. Cryptocurrency includes, but is not limited to, Bitcoin, Ethereum and other forms of digital, virtual or electronic currency.

32. "Network Security Incident" means a negligent security failure or weakness with respect to a "computer system" which allowed one or more of the following to happen:

- a. The unintended propagation or forwarding of malware, including viruses, worms, Trojans, spyware and keyloggers. Malware does not include shortcomings or mistakes in legitimate electronic code;
- b. The unintended abetting of a "denial of service attack" against one or more other systems; or
- c. The unintended loss, release or disclosure of "third party corporate data".

33. "Period of Restoration" means the period of time that begins 8 hours after the time that a "computer attack" is discovered by you and continues until the earliest of:

- a. The date that all data restoration, data re-creation and system restoration directly related to the "computer attack" has been completed;
- b. The date on which such data restoration, data re-creation and system restoration could have been completed with the exercise of due diligence and dispatch; or
- c. If no data restoration, data re-creation or

system restoration is required, the end of the "computer attack".

34. "Personal Data Compromise" means the loss, theft, accidental release or accidental publication of "personally identifying information" or "personally sensitive information" as respects one or more "affected individuals". If the loss, theft, accidental release or accidental publication involves "personally identifying information", such loss, theft, accidental release or accidental publication must result in or have the reasonable possibility of resulting in the fraudulent use of such information. This definition is subject to the following provisions:

a. At the time of the loss, theft, accidental release or accidental publication, the "personally identifying information" or "personally sensitive information" need not be at the insured premises but must be in the direct care, custody or control of:

(1) You; or

(2) A professional entity with which you have a direct relationship and to which you (or an "affected individual" at your direction) have turned over (directly or via a professional transmission or transportation provider) such information for storage, processing, transmission or transportation of such information.

b. "Personal data compromise" includes disposal or abandonment of "personally identifying information" or "personally sensitive information" without appropriate safeguards such as shredding or destruction, provided that the failure to use appropriate safeguards was accidental and not reckless or deliberate.

c. "Personal data compromise" includes situations where there is a reasonable cause to suspect that such "personally identifying information" or "personally sensitive information" has been lost, stolen, accidentally released or accidentally published, even if there is no firm proof.

d. All incidents of "personal data compromise" that are discovered at the same time or arise from the same cause will be considered one "personal data compromise".

35. "Personally Identifying Information"

a. "Personally identifying information" means information, including health information, that could be used to commit fraud or other illegal activity involving the credit, access to health care or identity of an "affected individual" or "identity recovery

insured". This includes, but is not limited to, Social Security numbers or account numbers.

b. "Personally identifying information" does not mean or include information that is otherwise available to the public, such as names and addresses.

36. "Personally Sensitive Information"

a. "Personally sensitive information" means private information specific to an individual the release of which requires notification of "affected individuals" under any applicable law.

b. "Personally sensitive information" does not mean or include "personally identifying information".

37. "Policy Period" means the period commencing on the effective date shown in the Cyber Suite Supplemental Declarations. The "policy period" ends on the expiration date or the cancellation date of this Cyber Coverage, whichever comes first.

38. "Property Damage" means

a. Physical injury to or destruction of tangible property including all resulting loss of use; or

b. Loss of use of tangible property that is not physically injured.

39. "Regulatory Proceeding" means an investigation, demand or proceeding alleging a violation of law or regulation arising from a "personal data compromise" brought by, or on behalf of, the Federal Trade Commission, Federal Communications Commission or other administrative or regulatory agency, or any federal, state, local or foreign governmental entity in such entity's regulatory or official capacity.

40. "Settlement Costs"

a. "Settlement costs" means the following, when they arise from a "claim":

(1) Damages, judgments or settlements; and

(2) Attorney's fees and other litigation costs added to that part of any judgment paid by us, when such fees and costs are awarded by law or court order; and

(3) Pre-judgment interest on that part of any judgment paid by us.

b. "Settlement costs" does not mean or include:

(1) Civil or criminal fines or penalties imposed by law, except for civil fines and penalties expressly covered

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under Data Compromise Response Expenses;

- (2) Punitive and exemplary damages;
- (3) The multiple portion of any multiplied damages;
- (4) Taxes; or
- (5) Matters which may be deemed uninsurable under the applicable law.

c. With respect to fines and penalties, the law of the jurisdiction most favorable to the insurability of those fines, or penalties will control for the purpose of resolving any dispute between us and you regarding whether the fines, or penalties specified in this definition above are insurable under this Cyber Coverage, provided that such jurisdiction:

- (1) Is where those fines, or penalties were awarded or imposed;
- (2) Is where any "wrongful act" took place for which such fines, or penalties were awarded or imposed;
- (3) Is where you are incorporated or you have your principal place of business; or
- (4) Is where we are incorporated or have our principal place of business.

41. "System Restoration Costs"

- a. "System restoration costs" means the costs of an outside professional firm hired by you to do any of the following in order to restore your "computer system" to its pre-"computer attack" level of functionality:
 - (1) Replace or reinstall computer software programs;
 - (2) Remove any malicious code; and
 - (3) Configure or correct the configuration of your "computer system".
- b. "System restoration costs" does not mean or include:
 - (1) Costs to increase the speed, capacity or utility of a "computer system" beyond what existed immediately prior to the "computer attack";
 - (2) Labor costs of your employees or directors;
 - (3) Any costs in excess of the actual cash value of your "computer system"; or
 - (4) Costs to repair or replace hardware.

42. "Termination of Coverage" means:

- a. You or we cancel this coverage;
- b. You or we refuse to renew this coverage; or

- c. We renew this coverage on an other than claims-made basis or with a retroactive date later than the date of the first inception of this coverage or any coverage substantially similar to that described in this Cyber Coverage.

43. "Third Party Corporate Data"

- a. "Third party corporate data" means any trade secret, data, design, interpretation, forecast, formula, method, practice, credit or debit card magnetic strip information, process, record, report or other item of information of a third party not an insured under this Cyber Coverage which is not available to the general public and is provided to you subject to a mutually executed written confidentiality agreement or which you are legally required to maintain in confidence.
- b. "Third party corporate data" does not mean or include "personally identifying information" or "personally sensitive information".

44. "Unauthorized Access Incident" means the gaining of access to a "computer system" by:

- a. An unauthorized person or persons; or
- b. An authorized person or persons for unauthorized purposes.

45. "Wrongful Act"

- a. With respect to Data Compromise Liability, "wrongful act" means a "personal data compromise".
- b. With respect to Network Security Liability, "wrongful act" means a "network security incident".
- c. With respect to Electronic Media Liability, "wrongful act" means an "electronic media incident".

46. "Wrongful Transfer Costs" means the amount of "money" fraudulently obtained from you. "Wrongful transfer costs" include the direct financial loss only. "Wrongful transfer costs" do not include any of the following:

- a. Other expenses that arise from the "wrongful transfer event";
- b. Indirect loss, such as "bodily injury", lost time, lost wages, identity recovery expenses or damaged reputation;
- c. Any interest, time value or potential investment gain on the amount of financial loss; or
- d. Any portion of such amount that has been or can reasonably be expected to be reimbursed by a third party, such as a financial institution.

47. "Wrongful Transfer Event"

- a. "Wrongful transfer event" means an intentional and criminal deception of you or a financial institution with which you have an account. The deception must be perpetrated by a person who is not an "employee", "executive" or "independent contractor" using email, facsimile or telephone communications to induce you or the financial institution to send or divert "money". The deception must result in

direct financial loss to you.

- b. "Wrongful transfer event" does not mean or include any occurrence:
- (1) In which you are threatened or coerced to send money or divert a payment; or
 - (2) Arising from a dispute or disagreement over the completeness, authenticity or value of a product, a service or a financial instrument.

ALL OTHER PROVISIONS OF THIS POLICY APPLY.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

NAMED INSUREDS ENDORSEMENT

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS PROPERTY COVERAGE FORM

The insurance afforded under this Property Coverage Form applies to all persons or organizations listed in the SCHEDULE OF NAMED INSUREDS, subject to the following provisions:

1. The first Named Insured is authorized to act on behalf of each Named Insured in all matters pertaining to this insurance.
2. The first Named Insured declares that all firms named in the policy as Named Insureds are owned or financially controlled by the same interests.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT IS ATTACHED TO AND MADE PART OF YOUR POLICY IN RESPONSE TO THE DISCLOSURE REQUIREMENTS OF THE TERRORISM RISK INSURANCE ACT. THIS ENDORSEMENT DOES NOT GRANT ANY COVERAGE OR CHANGE THE TERMS AND CONDITIONS OF ANY COVERAGE UNDER THE POLICY.

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

SCHEDULE

SCHEDULE – PART I	
Terrorism Premium (Certified Acts)	\$ 0
Additional information, if any, concerning the terrorism premium:	

SCHEDULE – PART II	
Federal share of terrorism losses	80 %
(Refer to Paragraph B. in this endorsement.)	
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the policy Declarations.

B. Disclosure Of Federal Participation In aymentOf Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals a percentage (as shown in Part II of the Schedule of this endorsement or in the policy Declarations) of that portion of the amount of such insured losses that exceeds the applicable insurer retention.

However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All terms and conditions of this policy apply unless modified by this endorsement.

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THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUSION - COMMUNICABLE DISEASE CLASSIFIED AS AN EPIDEMIC, PANDEMIC, OR PUBLIC HEALTH EMERGENCY

This endorsement modifies insurance provided under the following:

PREMIER BUSINESSOWNERS LIABILITY COVERAGE FORM

- A. In Section I. COVERAGES, COVERAGE A - BODILY INJURY AND PROPERTY DAMAGE LIABILITY, under paragraph 2. EXCLUSIONS, the following exclusions are added:

This insurance, including any duty we have to defend "suits", does not apply to:

Communicable Disease Classified as an Epidemic, Pandemic, or Public Health Emergency

"Bodily injury" or "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease declared or characterized as an epidemic, pandemic, or public health emergency by the World Health Organization, the United States Center for Disease Control, or a federal, state, or local public health agency.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- Testing for a communicable disease;
- Failure to prevent the spread of the disease; or
- Failure to report the disease to authorities.

- B. In Section I. COVERAGES, COVERAGE B – PERSONAL AND ADVERTISING INJURY LIABILITY, under paragraph 2. EXCLUSIONS, the following exclusions are added:

This insurance, including any duty we have to defend "suits", does not apply to:

Communicable Disease Classified as an Epidemic, Pandemic, or Public Health Emergency

"Bodily injury" or "property damage" or "personal and advertising injury" arising out of the actual or alleged transmission of a communicable disease declared or characterized as an epidemic, pandemic, or public health emergency by the World Health Organization, the United States Center for Disease Control, or a federal, state, or local public health agency.

This exclusion applies even if the claims against any insured allege negligence or other wrongdoing in the:

- Supervising, hiring, employing, training or monitoring of others that may be infected with and spread a communicable disease;
- Testing for a communicable disease;
- Failure to prevent the spread of the disease; or
- Failure to report the disease to authorities.

All terms and conditions of this policy apply unless modified by this endorsement.

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BUSINESSOWNERS



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IMPORTANT NOTICE

NOTICE OF TERRORISM INSURANCE COVERAGE

NOTICE - DISCLOSURE OF PREMIUM

Applies to all Commercial Policies, except for Farmowners Multiperil, Business Auto and Crime

(This disclosure notice does not provide coverage, and it does not replace any provisions of your policy. You should read your policy for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, the provisions of the policy shall prevail.)

Coverage for acts of terrorism is included in your policy. You are hereby notified that the Terrorism Risk Insurance Act, as amended in 2019, defines an act of terrorism in Section 102(1) of the Act: The term "act of terrorism" means any act or acts that are certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 80% beginning on January 1, 2020, of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a \$100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds \$100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed \$100 billion, your coverage may be reduced.

Other than for Workers Compensation, the portion of your annual premium that is attributable to coverage for acts of terrorism is \$0 and does not include any charges for that portion of losses covered by the United States Government under the Act.

For Workers Compensation, the portion of your annual premium that is attributable to coverage for acts of terrorism is shown on your declarations page and does not include any charges for the portion of losses covered by the United States government under the Act.

We appreciate your business and look forward to continuing to serve you. If you have any questions, or would like to learn about additional coverage options, please contact your Nationwide agent.

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IMPORTANT NOTICE

Flood Insurance Notice

Thank you for choosing Nationwide® to help you protect what's important to you. We value your business and want to ensure you have current information about your policy.

What you need to know

Your policy does not cover damage from floods to any property resulting directly or indirectly from "water".

Excluded "water" losses include, but are not limited to those caused by:

- Flood
- Surface water
- Waves
- Tides
- Tidal waves
- Overflow of any body of water, or their spray, all whether driven by wind or not.

These types of loss or damage caused by "water" are excluded regardless of any other cause or event that contributes concurrently or in any sequence to the loss. You'll need to read your policy for all of the details about excluded water losses. This is just a summary of the excluded water losses to highlight some important flood-related issues.

Additional information

In most communities you can obtain flood insurance policies backed by the federal government's National Flood Insurance Program, through your agent. In those qualifying communities, you can obtain flood insurance protection for your property regardless of your flood zone or flood risk.

Your agent can assist you in:

- Determining if your community participates in the National Flood Insurance Program
- Assessing your flood risk
- Understanding flood policy availability

To learn more about flood insurance and your risk of flooding, access the National Flood Insurance Program's consumer website at www.FloodSmart.gov.

As you consider the risk of flooding in your area and consider your options for obtaining valuable protection, consider that:

- All property is in a flood zone, regardless of whether an area has been defined as high risk or low risk.
- Nearly 25% of all flood claims are for properties located in lower-risk flood areas or locations where flooding is not expected.
- Floods can happen anywhere, at any time, causing anguish, destruction, and financial damage.
- Changing weather patterns, as well as residential and business development, may increase your chance of experiencing a flood.
- Flooding can occur as a result of clogged, overloaded, or inadequate storm drains. You don't have to live near a body of water to be flooded.
- Federal disaster assistance is often a loan and must be repaid with interest.

Ask your agent about obtaining flood insurance for your property today.

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IMPORTANT NOTICE

Information for Insureds Who Have Tenants

Thank you for choosing Nationwide® to help you protect what's important to you. We value your business and want to ensure you have current information about your policy.

What's "subrogation"

Subrogation is the ability to recover damages from a responsible party. The subrogation clause in your insurance contract permits us to pursue recovery against those parties responsible for losses under your policy. Subrogation plays an important role in the claims settlement process when a loss occurs.

What you need to know

The "Anti-Subrogation Rule/Implied Co-Insured Doctrine" may limit subrogation on your policy by preventing landlords and their insurance companies from recovering damages caused by tenants. These damages may include:

- The property deductible you pay
- Uninsured or partially covered losses
- Losses that occur as a result of tenants' negligence

If this doctrine is applied where your buildings are located, you may be unable to seek repayment from your tenants if they negligently cause a fire in your building. To prevent this from occurring, additional provisions may be needed in your lease agreements to clarify who is responsible for damages when property damage or injury is caused by a tenant's negligence.

What you need to do

This information is not intended to be legal advice and is provided for informational purposes only. We recommend that you contact an attorney for more guidance on the "Anti-Subrogation Rule/Implied Co-Insured Doctrine" and how it affects the lease agreement between you and your tenants.

Please read this notice carefully. No coverage is provided by this notice nor can it be construed to replace any provision of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, the provisions of the policy shall prevail.

You can always count on us to be there

We appreciate your business and look forward to continuing to serve you. If you have any questions, or would like to learn about additional coverage options, please contact your Nationwide agent.

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Nationwide®

IMPORTANT NOTICE

Thank you for choosing Nationwide® to help you protect what's important to you. We value your business and want to ensure you have current information about your policy.

What you need to do

Please read this notice carefully. No coverage is provided by this notice nor can it be construed to replace any provision of your policy. You should read your policy and review your declarations page for complete information on the coverages you are provided. If there is any conflict between the policy and this notice, the provisions of the policy shall prevail.

You can always count on us to be there

We appreciate your business and look forward to continuing to serve you. If you have any questions, or would like to learn about additional coverage options, please contact your Nationwide agent.

Important Notice Description(s)

Important Notice for Renewal Policies

In an effort to keep your insurance premium as low as possible, we have streamlined your renewal policy. We have not included printed copies of policy forms and endorsements that have not changed from your expiring policy unless they include variable information that is unique to you.

Please refer to your prior policies for printed copies of these forms. If you desire copies, they are available upon request from your agent.

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Data Breach & Identity Recovery Services

Through a partnership with Hartford Steam Boiler, you have access to a data breach risk management portal called the eRisk Hub. The portal is designed to help you understand data information exposures, help you plan and be prepared for a data breach, and establish a response plan to manage the costs and minimize the effects of a data breach.

Key features of the portal include:

- **Incident Response Plan Roadmap** – Suggested steps your business can take following data breach incident; having an incident response plan prepared in advance of a breach can be useful for defense of potential litigation
- **Online Training Modules** – Ready-to-use training for your business on privacy best practices and Red Flag Rules
- **Risk Management Tools** – Assist your business in managing data breach exposures including self-assessments and state breach notification laws
- **eRisk Resources** – A directory to quickly find external resources on pre and post-breach disciplines
- **News Center** – Cyber risk stories, security and compliance blogs, security news, risk management events, and helpful industry links
- **Learning Center** – Best practices and white papers written by leading authorities

To access the eRisk Hub portal:

- Enter <https://www.eriskhub.com/nationwide.php> in your browser
- Complete the information, including your name and company; your User ID and Password are case-sensitive
- Enter your assigned access code: **12116-73**
- Enter the challenge word on the screen, and click "Submit" and follow the instructions to complete your profile setup

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- You can now login to the portal

You also have access to a help-line to answer breach related questions. Insureds having questions pertaining to how to prepare for a breach, help in identifying a breach, or other questions pertaining to breach related best practices can call our breach preparedness help-line. Experienced professionals are able to provide insights to help insureds understand the complicated environment pertaining to breaches of personal information. The breach preparedness help-line is 877-800-5028.

In addition, you have the ability to purchase Data Compromise Insurance coverage and CyberOne Insurance coverage.

The Data Compromise coverage covers the costs incurred by an insured to respond to a data breach, including expenses related to forensic information technology review, legal review, notification to affected individuals, services to affected individuals, public relations services. Insureds will also have the ability to include Data Compromise Defense and Liability coverage which covers the liability from a suit brought by an individual affected by the data breach.

CyberOne coverage protects businesses against damage to electronic data and computer systems from a virus or other computer attack. It also protects a business's liability to third parties that may have suffered damage due to security weaknesses in the business's computer system.

Identity Recovery Services Information:

Through a partnership Hartford Steam Boiler, you will have access to a Toll-Free Identity Recovery Help Line designed to provide education about identity theft and identity theft risks. The toll-free Help Line is staffed by experienced identity theft counsellors who can answer questions and provide useful information and resources to identity theft victims. The Identity Recovery Help Line number is 877-800-5028.

In addition, you have the ability to buy Identity Recovery insurance coverage as an included element of Data Compromise coverage or separately, on its own. The Identity Recovery coverage insures against the theft of identities of the insured's key owners, officers, and resident family members. The coverage provides the services of an identity theft case manager and pays for various out-of-pocket expenses due to a covered identity theft, including:

- Legal fees for answer of civil judgments and defense of criminal charges
- Phone, postage, shipping fees
- Notary and filing fees
- Credit bureau reports
- Lost Wages and Child or Elder Care
- Mental Health Counseling costs (Not Available in NY)
- Miscellaneous Expense coverage

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CONSUMER REPORT INQUIRY NOTICE

Consumer reports, including credit history may have been ordered from a consumer reporting agency to underwrite and/or rate your insurance policy. You have the right to access this information and request correction of any inaccuracies. Your consumer reports, including your credit history are not affected in any way by our inquiry.

We are committed to respecting your privacy and safeguarding your personal information.

NI 00 75 01 17

McGowan Program Administrators Umbrella Program

Evidence of Insurance and Purchasing Group Membership

NAMED INSURED:

Val D'Sol Homeowners Association
P.O. Box 826
Ketchum, ID, 83340

PURCHASING GROUP NAME:

Community Associations PG, Inc.
79978384

PROGRAM ADMINISTRATOR:

McGowan Program Administrators
[A division of McGowan and Company, Inc.]
Home Office - Old Forge Center
20595 Lorain Road
Fairview Park, OH 44126
T: 440.333.6300 / F: 440.333.3214
www.mcgowanprograms.com
Date of Issue: 01/15/2026

ITEM 1. COVERAGE PERIOD: 02/09/2026 to 02/09/2027

This insurance shall not apply to any claim, suit, or loss involving an occurrence that takes place outside of these dates.

ITEM 2. INSURER:

EVIDENCE NUMBER:	INSURER:	LIMIT:
G75147582-G7527466A	Federal Insurance Company	\$1,000,000 / \$1,000,000

ITEM 3. LIMITS OF INSURANCE:

\$1,000,000	Each Occurrence
\$1,000,000	General Aggregate
\$1,000,000	Products/Completed Operations Aggregate (When Provided by Underlying Policy)
\$0	Insured's Retained Limit

Members do not share limits within this Purchasing Group.

ITEM 4. TERRORISM RISK INSURANCE ACT:

☒ Included ☐ Excluded

Coverage is only excluded if rejected by the Named Insured.

ITEM 5. SCHEDULED UNDERLYING INSURANCE:

- ☒ General Liability
- ☒ Hired and Non-Owned Liability
- ☐ Automobile Liability
- ☒ Directors and Officers Liability
- ☐ Employers Liability
- ☐ Employee Benefits Liability
- ☐ Garagekeepers Legal Liability
- ☐ Liquor Liability
- ☐ Uninsured/Underinsured Motorists Liability

This policy shall not apply to any claim, suit, or loss if such claim, suit, or loss is not covered by a scheduled underlying insurance policy marked with an "X" above. Limits must conform to minimum attachment points as dictated by the Schedule of Primary/Underlying Insurance within the policy form.

Carriers: Per Information On File With McGowan **Premiums:** Per Information On File With McGowan
Limits: Per Information On File With McGowan **Eff. Dates:** Per Information On File With McGowan

ITEM 6. COVERAGE MODIFICATIONS TO TERMS, CONDITIONS, AND EXCLUSIONS:

This Item Supersedes Any Provision In The Policy, Endorsements, "Schedule Of Named Insureds - Endorsement," "Schedule Of Insured Locations - Endorsement," Or This "Evidence Of Insurance and Purchasing Group Membership" Granting Or Restricting Coverage To The Contrary.

The only coverage modifications to the terms, conditions, and exclusions that apply are those marked with an "X" below.

☐ Other:

ITEM 7.**IMPORTANT COVERAGE NOTES AND ADDITIONAL TERMS, CONDITIONS, AND EXCLUSIONS:**

1. This insurance does not apply to any entity that does not appear on the attached "Schedule of Named Insureds - Endorsement."
2. This insurance does not apply to any location that does not appear on the attached "Schedule of Insured Locations - Endorsement."
3. You must notify us if you add named insureds or insured locations. This policy does not provide automatic coverage to newly acquired premises.
4. You must notify us if there are changes to the scheduled underlying insurance policies.
5. You must notify us if you have a change in operations or exposures which increases the insurance company's risk of loss.
6. Any term, condition, or exclusion contained within the "Evidence of Insurance and Purchasing Group Membership" Agreement supersedes any provision in the policy, endorsements, "Schedule of Named Insureds - Endorsement," or "Schedule of Insured Locations - Endorsement," granting or restricting coverage to the contrary.

ITEM 8.**SCHEDULE OF CHARGES:**

Total Premium, Fees, Surcharges, and Taxes (As Applicable):		\$1,113.00
Premium:	\$981.00	Charged by the Insurance Company
Purchasing Group Fee:	\$132.00	Charged by the Purchasing Group
Surplus Lines Tax:	\$0.00	Charged by the State
Stamping Tax:	\$0.00	Charged by the State
Other State or Municipal Surcharge:	\$0.00	Charged by the State or Municipality
Loss Control Inspection Fee:	\$0.00	Charged by the Program Administrator

Purpose and Effect Of "Application For Insurance and Purchasing Group Membership."

By Signing An "Application For Insurance And Purchasing Group Membership" (Hereinafter "Application"), Applicant Agreed: (1) To Become A Member Of Community Associations PG, Inc. (Hereinafter "PG"); (2) To Participate In A Program Of Insurance Designed Exclusively For The Members Of PG; (3) To Accept, Abide By, And Be Bound By The "Terms And Conditions Of Insurance" Posted At www.purchasinggroups.com; (4) To Accept, Abide By, And Be Bound By The "Membership Agreement - Terms And Conditions Of Membership" Posted At www.purchasinggroups.com; (5) To Pay All Premiums (Including Audit And Additional Premiums, If Applicable), Fees (Including Broker And Purchasing Group Membership Fees), And State And Federal Taxes and Surcharges When Due (If Applicable); (6) That Any Additional Material Supplied By Applicant Or Applicant's Insurance Broker To The Managing General Underwriter For A Given Program Of Insurance Becomes A Material Part Of The Application For Insurance; (7) That The Application Which It Signed Was The Basis Of The Contract [Policy And/Or "Evidence Of Insurance" (Hereinafter "EOI")], Whether Or Not Said Application Was/Is Attached To The Policy And/Or EOI; And, (8) That The Application Is A Material Part Of The Policy And/Or EOI, Whether Or Not It Is Attached To The Policy And/Or EOI.

Disclosure Pursuant To Federal Law Regarding Purchasing Groups [U.S.C. 15 3901, Et Seq.]

PG Is A "Purchasing Group," As Defined Under Federal Law, Formed To Purchase Liability Insurance On A Group Basis For Its Members To Cover The Similar Or Related Liability Exposure(s) To Which The Members Of PG Are Exposed By Virtue Of Their Related, Similar, Or Common Business Or Service. Members Do Not Share Limits And Each Member Is Provided With Its Own Policy And/Or EOI.

Disclosure Pursuant to Terrorism Risk Insurance Act of 2002 (And Any Subsequent Continuations or Revisions Thereof).

By Signing Below, Applicant Agrees That It Has Read And Understands The Most Recent Disclosure Pursuant To The Terrorism Risk Insurance Act Which Appears At www.purchasinggroups.com.

To Learn More.

Please Visit www.purchasinggroups.com, Which Contains More Information About Your Purchasing Group And Purchasing Groups, In General, As Well As Your Insurance Coverage, Premiums, Fees, Taxes, The MGUs' Income, And Your Insurance Broker's Income.

McGowan Program Administrators Umbrella Program

Schedule of Named Insureds - Endorsement

Evidence Number: G7527466A

Effective Date: 2/9/2026

This "Schedule of Named Insureds - Endorsement" forms a part of the policy and the "Evidence of Insurance & Purchasing Group Membership." No coverage is provided by this policy to any insured not listed below. This endorsement supersedes any terms in the policy or any endorsement granting coverage to the contrary.

Val D'Sol Homeowners Association

McGowan Program Administrators Umbrella Program

Schedule of Insured Locations - Endorsement

Evidence Number: G7527466A

Effective Date: 2/9/2026

This "Schedule of Insured Locations - Endorsement" forms a part of the policy and the "Evidence of Insurance and Purchasing Group Membership." This policy shall not apply to any location which is not listed below. This insurance only applies to losses, claims, suits, or other proceedings which allege "bodily injury," "property damage," "personal injury," or "advertising injury" arising out of the use, ownership, maintenance, or operation of the locations that are listed below. This endorsement supersedes any terms in the policy or any endorsement granting coverage to the contrary.

1 204 Sun Valley Road, Bldg. 1 - 9

Sun Valley, ID 83353

IMPORTANT NOTICE TO POLICYHOLDERS TERRORISM RISK INSURANCE ACT

This Important Notice is being provided with your policy to further satisfy the disclosure requirements of the Terrorism Risk Insurance Act.

At the time you received the written offer for this policy, we provided you with an Important Notice to Policyholders indicating that the insurance provided in your policy for losses caused by certain acts of terrorism (as defined in the Terrorism Risk Insurance Act) would be partially reimbursed by the United States of America, pursuant to the formula set forth in the Terrorism Risk Insurance Act. In addition, as required by the Terrorism Risk Insurance Act, we:

- indicated that we would make available insurance for such losses in the same manner as we provide insurance for other types of losses;
- specified the premium we would charge, if any, for providing such insurance; and
- except to the extent prohibited by law, gave you the opportunity to reject such insurance and have a terrorism exclusion, sublimit or other limitation included in your policy.

This Important Notice refers back to that Important Notice and provides information about your decision and the manner in which your policy has been subsequently modified.

If:

- You rejected terrorism insurance under the Terrorism Risk Insurance Act, your policy includes the appropriate amendatory endorsement(s).
- You did not reject terrorism insurance under the Terrorism Risk Insurance Act, the premium charged for your policy, including that portion applicable to terrorism insurance under the Terrorism Risk Insurance Act, is shown in your policy. To the extent your policy includes a limitation on terrorism insurance, it has been modified so that such limitation does not apply to terrorism insurance under the Terrorism Risk Insurance Act.

Please carefully review your policy and the Important Notice previously provided to you for further details. Please remember that only the terms of your policy establish the scope of your insurance protection.

Please note that if your policy:

- ***provides commercial property insurance in a jurisdiction that has a statutory standard fire policy, the premium we charge for terrorism insurance under the Terrorism Risk Insurance Act, includes an amount attributable to the insurance provided pursuant to that standard fire policy. Rejection of such statutory insurance is legally prohibited.***
- ***is a workers compensation policy, rejection of insurance for terrorism is legally prohibited.***

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.



IMPORTANT NOTICE TO POLICYHOLDERS

This Important Notice is not your policy. Please read your policy carefully to determine your rights, duties, and what is and what is not covered. Only the provisions of your policy determine the scope of your insurance protection.

THIS IMPORTANT NOTICE PROVIDES INFORMATION CONCERNING POSSIBLE IMPACT ON YOUR INSURANCE COVERAGE DUE TO COMPLIANCE WITH APPLICABLE TRADE SANCTION LAWS.

PLEASE READ THIS NOTICE CAREFULLY.

Various trade or economic sanctions and other laws or regulations prohibit us from providing insurance in certain circumstances. For example, the United States Treasury Department's Office of Foreign Asset Control (OFAC) administers and enforces economic and trade sanctions and places restrictions on transactions with foreign agents, front organizations, terrorists, terrorists organizations, and narcotic traffickers. OFAC acts pursuant to Executive Orders of the President of the United States and specific legislation, to impose controls on transactions and freeze foreign assets under United States jurisdiction. (To learn more about OFAC, please refer to the United States Treasury's web site at <http://www.treas.gov/ofac>.)

To the extent that you or any other insured, or any person or entity claiming the benefits of this insurance has violated any applicable sanction laws, this insurance will not apply.

We have added a condition or section that applies to the entire policy called Compliance With Applicable Trade Sanctions, which stipulates that your insurance policy does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

IL QUESTIONS ABOUT INSURANCE

Answers to questions about your insurance, coverage information, or assistance in resolving complaints can be obtained by contacting:

Chubb Customer Support Services Department:
436 Walnut Street
Philadelphia, Pennsylvania 19106-3703
Telephone Number: 1-800-352-4462
Email: ChubbUSCustomerServices@chubb.com

The **Illinois Department of Insurance** may also be contacted for assistance. Insurance analysts are available to answer general questions by phone at our toll-free Consumer Assistance Hotline (866) 445-5364. **However, complaints must be submitted in writing.**

How to file a complaint with the Insurance Department:

Complaints may be submitted in the following ways:

- On-line at
<https://idoi.illinois.gov/consumers/file-a-complaint.html>
and by following the instructions posted.
- By fax: (217) 558-2083
- By TTD: 866-323-5321
- By mail: 115 S. LaSalle St, 13th Floor Chicago, Illinois 60603



POLICYHOLDER NOTICE

All of the members of the Chubb Group of Insurance companies doing business in the United States (hereinafter "Chubb") distribute their products through licensed insurance brokers and agents ("producers"). Detailed information regarding the types of compensation paid by Chubb to producers on US insurance transactions is available under the Producer Compensation link located at the bottom of the page at www.chubb.com, or by calling 1-866-588-9478. Additional information may be available from your producer.

Thank you for choosing Chubb.



Chubb Commercial Excess And Umbrella Insurance

Declarations

Named Insured and Mailing Address

See Evidence

Chubb Group of Insurance Companies
202B Hall's Mill Road
Whitehouse Station, NJ 08889

Policy Number See Evidence

Issued by the stock insurance company
indicated below, herein called the company.

FEDERAL INSURANCE COMPANY

Incorporated under the laws of INDIANA

Policy Period

From: See Evidence To: See Evidence

12:01 A.M. standard time at the Named Insured's mailing address shown above.

Premium

See Evidence

Limits Of Insurance

Excess Coverage Other Aggregate Limit (as applicable) See Evidence

Umbrella Coverages Aggregate Limit See Evidence

Products Completed Operations Aggregate Limit See Evidence

Advertising Injury and Personal Injury Aggregate Limit See Evidence

Each Occurrence Limit See Evidence

Authorization

In Witness Whereof, the company issuing this policy has caused this policy to be signed by its authorized officers, but this policy shall not be valid unless also signed by a duly authorized representative of the company.

FEDERAL INSURANCE COMPANY

Secretary

President

Authorized Representative

Date September 24, 2025

Chubb. Insured.™

Schedule Of Underlying Insurance

Effective Date: See Evidence

Policy Number: See Evidence

This page reflects the minimum attachment points required for coverage

Insured: See Evidence

Description

Limits

Employers Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS

Coverage B - Employer's Liability

Policy Period: 10/01/2025

Bodily Injury By Accident

to: 10/01/2027

\$100,000 Each Accident

Bodily Injury By Disease

\$500,000 Policy Limit

\$100,000 Each Employee

Commercial General Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS

\$1,000,000 Each Occurrence

Policy Period: 10/01/2025

\$2,000,000 General Aggregate

to: 10/01/2027

\$1,000,000 Products/Completed Operations Aggregate

Occurrence

\$1,000,000 Personal and Advertising Injury (aggregate when applicable)

Automobile Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS

\$1,000,000 Each Accident

Policy Period: 10/01/2025

to: 10/01/2027

Schedule Of Underlying Insurance

Effective Date: See Evidence

Policy Number: See Evidence

This page reflects the minimum
attachment points required for coverage

Insured: See Evidence

Description**Limits**

Directors & Officer's Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS \$1,000,000 Each Occurrence

Policy Period: 10/01/2025

to: 10/01/2027 \$1,000,000 Aggregate

Occurrence

Employee Benefits Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS \$1,000,000 Each Claim

Policy Period: 10/01/2025

to: 10/01/2027 \$1,000,000 Aggregate

Occurrence

Garage Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.: INDIVIDUAL MEMBERS \$1,000,000 Each Occurrence

Policy Period: 10/01/2025

to: 10/01/2027 \$1,000,000 Aggregate

Occurrence

Schedule Of Underlying Insurance

Effective Date: See Evidence

Policy Number: See Evidence

Insured: See Evidence

This page reflects the minimum attachment points required for coverage

Description

Limits

Liquor Law Legal Liability

Insurer: RISK PURCHASING GROUP (SEE CERTIFICATE OF INSURANCE)

Policy No.:	INDIVIDUAL MEMBERS	\$1,000,000	Each Occurrence

Policy Period: 10/01/2025

to: 10/01/2027

\$1,000,000 *Aggregate*

Occurrence

Authorization

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025

Roll 2

Schedule Of Forms

Policy Period See Evidence To See Evidence

Effective Date See Evidence

Policy Number See Evidence

Insured See Evidence

Name of Company FEDERAL INSURANCE COMPANY

Date Issued See Evidence

Form Number

As of the effective date printed above, this is the Schedule Of Forms applicable to this policy:

IMPORTANT NOTICE TO POLICYHOLDERS-TRIA 2002	99-10-0732	(01/15)
IMPORTANT NOTICE - OFAC	99-10-0792	(09/04)
ILLINOIS QUESTIONS ABOUT INSURANCE	99-10-0838	(02/25)
AOD IMPORTANT POLICYHOLDER NOTICE	99-10-0872	(06/07)
COMMERCIAL EXCESS AND UMBRELLA DECLARATIONS	07-02-2267	(02/09)
SCHEDULE OF UNDERLYING INSURANCE	07-02-0922	(07/01)
CHUBB COMMERCIAL EXCESS & UMBRELLA INSURANCE	07-02-0815	(07/01)
CONDITIONS ILLINOIS - CANCELLATION	07-02-0997	(09/13)
COMPLIANCE WITH APPLICABLE TRADE SANCTIONS	07-02-1988	(02/04)
COND - CIVIL UNIONS OR DOMESTIC PARTNERSHIPS	07-02-2483	(03/12)
AIRCRAFT EXCLUSION	07-02-0826	(07/01)
SUPPLEMENTARY PAYMENTS	07-02-0845	(07/01)
PROFESSIONAL SERVICES EXCL	07-02-0864	(07/01)
EXCL/UMBRELLA COV B - ALCOHOLIC BEVERAGES	07-02-0871	(01/14)
PERSONAL INJURY EXCLUSION - COV. B	07-02-0884	(07/01)
PRODUCTS COMPLETED - COV. B EXCLUSION	07-02-0890	(07/01)
INTELLECTUAL PROPERTY LAWS OR RIGHTS	07-02-1146	(05/10)
LEAD EXCLUSION	07-02-1153	(07/01)
EXCLUSION OF CERTIFIED ACTS OF TERRORISM	07-02-1958	(01/15)
CAP ON CERTIFIED TERRORISM LOSSES	07-02-1961	(01/15)
POLICY EXCLUSION BACTERIA OR FUNGI	07-02-1982	(10/03)
COVG/EXCESS FOLLOW FORM COVG A - ILLI.-C/M	07-02-2029	(03/15)
DECLARATIONS MINIMUM PREMIUM ILLINOIS	07-02-2032	(09/02)
COV. B EXCLUSION - SUBSIDENCE	07-02-2149	(11/05)
EXCLUSIONS - CONSTRUCTION OR DEVELOPMENT	07-02-2244	(01/08)

CRISIS ASSISTANCE SERVICE PROVIDERS	07-02-2455	(12/10)
COVERAGE - CRISIS ASSISTANCE FOR EX AND UMB	07-02-2458	(12/10)
POL EXCL-SCHED DISEASES, EXCEPT INCL DISEASES	07-02-2492	(03/12)
EXCL/COV B-ABUSE OR MOLEST-ACT,ALLGD THREAT	07-02-2519	(06/12)
EXCL - UMB COVERAGE B-ASSAULT OR BATTERY	07-02-2557	(05/15)
POLICY EXCLUSION - WAR	07-02-2741	(03/17)
POLICY EXCLUSION – VIOLATION OF LAWS ADDRESSING DATA PRIVACY	07-02-2978	(04/23)
EXCLUSION/UMBRELLA COVERAGE B – CYBER INCIDENT	07-02-2997	(11/23)
CONDITION - ADDITIONAL BENEFITS	07-02-3008	(03/24)
POLICY EXCLUSION - RECORDING AND DISTRIBUTION OF MATERIAL OR INFORMATION IN VIOLATION OF LAW	07-02-2172	(06/23)
COV A EXCL – ACCESS TO OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFO & ELECTRONIC DATA-RELATED LIABILITY WITH EXCEPTIONS; COV B EXCL – ACCESS TO OR DISCLOSURE OF CONFIDENTIAL OR PERSONAL MATERIAL OR INFO & ELECTRONIC DATA-RELATED LIABILITY	07-02-2853	(04/23)
ANIMALS EXCLUSION (MS 283308)	99-02-02	(07/01)
BIOLOGICAL AGENTS ABSOLUTE (07-02-1692)	99-02-02	(07/01)
CARE, CUSTODY OR CONTROL GARAGE KEEPERS LEGAL LIABILITY	99-02-02	(07/01)
COVERAGE B EXCLUSION - HABITABILITY (MS394231)	99-02-02	(07/01)
COVERAGE B EXCLUSION – WEAPONS (MS402089.2)	99-02-02	(07/01)
UMBRELLA COVERAGE B – UNDERLYING INSURANCE RESTRICTION (MS400731)	99-02-02	(07/01)
CROSS SUITS (MS 283309)	99-02-02	(07/01)
PUNITIVE EXCLUSION (MS 214660)	99-02-02	(07/01)
RISK PURCHASING GROUPS PROGRAM MANAGER FOR MCGOWAN (MS 330910)	99-02-02	(07/01)
SUBLIMITED PRIMARY COVERAGE EXCLUSION (MS403806)	99-02-02	(07/01)
DECLARATIONS (MS 288848)	99-02-02	(07/01)
EMPLOYMENT RELATED PRACTICES AMENDED	99-02-02	(07/01)
POLLUTION EXCLUSION AMENDED COV A (MS 263848)	99-02-02	(07/01)
PRIMARY NON CONTRIBUTORY (MS 263865)	99-02-02	(07/01)

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Contract

Please read the entire policy carefully. The terms and conditions of this insurance include the various sections of this contract: Coverages; Investigation, Defense And Settlements; Supplementary Payments; Coverage Territory; Who Is An Insured; Limits Of Insurance; When Excess Follow-Form Coverage A Applies (Drop Down); Exclusions; Conditions and Definitions, as well as the Declarations and any Endorsements and Schedules made a part of this insurance.

Throughout this contract the words "you" and "your" refer to the Named **Insured** shown in the Declarations and other persons or organizations qualifying as a Named **Insured** under this contract. The words "we," "us" and "our" refer to the Company providing this insurance.

In addition to the Named **Insured**, other persons or organizations may qualify as **insureds**. Those persons or organizations and the conditions under which they qualify are identified in the Who Is An Insured section of this contract.

Words and phrases that appear in **bold** print have special meanings and are defined in the Definitions section of this contract.

Coverage/ Excess Follow-Form Coverage A

Subject to all of the terms and conditions applicable to Excess Follow-Form Coverage A, we will pay, on behalf of the **insured**, that part of **loss** to which this coverage applies, which exceeds the applicable **underlying limits**.

This coverage applies only if the triggering event that must happen during the policy period of the applicable **underlying insurance** happens during the policy period of this insurance.

This coverage will follow the terms and conditions of **underlying insurance** described in the Schedule Of Underlying Insurance, unless a term or condition contained in this coverage:

- differs from any term or condition contained in the applicable **underlying insurance**; or
- is not contained in the applicable **underlying insurance**.

With respect to such exceptions described above, the terms and conditions contained in this coverage will apply, to the extent that such terms and conditions provide less coverage than the terms and conditions of the applicable **underlying insurance**.

This coverage does not apply to any part of **loss** within **underlying limits**, or any related costs or expenses.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Coverages/ Umbrella Coverage B

Bodily Injury And Property Damage Liability Coverage

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured**, **loss** by reason of liability:

- imposed by law; or
- assumed in an **insured contract**;

Coverages/ Umbrella Coverage B

Bodily Injury And Property Damage Liability Coverage (continued)

for **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies.

This coverage applies only to such **bodily injury** or **property damage** that occurs during the policy period.

Damages for **bodily injury** include damages claimed by a person or organization for care or loss of services resulting at any time from the **bodily injury**.

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would apply, regardless of whether or not:
 - 1. **underlying insurance** is available; and
 - 2. the applicable **underlying limits** have been exhausted;
- B. **loss** to which **underlying limits** apply; or
- C. any costs or expenses related to **loss** as described in paragraphs A. or B. above.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

Advertising Injury And Personal Injury Liability Coverage

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured, loss** because of liability:

- imposed by law; or
- assumed in an **insured contract**;

for **advertising injury** or **personal injury** to which this coverage applies.

This coverage applies only to such **advertising injury** or **personal injury** caused by an offense that is first committed during the policy period.

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would apply, regardless of whether or not:
 - 1. **underlying insurance** is available; and
 - 2. the applicable **underlying limits** have been exhausted;
- B. **loss** to which **underlying limits** apply; or
- C. any costs or expenses related to **loss** as described in paragraphs A. or B. above.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage.

**Investigation, Defense
And Settlements**

Subject to all of the terms and conditions of this insurance, we will have the right and duty to defend the **insured**:

- under Excess Follow-Form Coverage A, against a **suit** in connection with **loss** to which such coverage applies, if the applicable **underlying limits** have been exhausted by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits); or
- under Umbrella Coverage B, against a **suit** to which such coverage applies, even if such **suit** is false, fraudulent or groundless.

We have no duty to defend any person or organization against any claim or **suit**:

- to which this insurance does not apply; or
- if any other insurer has a duty to defend.

When we have the duty to defend, we may, at our discretion, investigate any occurrence or offense and settle any claim or **suit**. In all other cases, we may, at our discretion, participate in the investigation, defense and settlement of any occurrence, offense, claim or **suit**.

Our duty to defend any person or organization ends when we have used up the applicable Limit Of Insurance.

**Supplementary
Payments**

Subject to all of the terms and conditions of this insurance, under Excess Follow-Form Coverage A or Umbrella Coverage B:

- A. we will pay, with respect to a claim we investigate or settle, or a **suit** against an **insured** we defend:
1. the expenses we incur.
 2. the cost of:
 - a. bail bonds; or
 - b. bonds required to:
 - (1) appeal judgments; or
 - (2) release attachments;but only for bond amounts within the available Limit Of Insurance. We do not have to furnish these bonds.
 3. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of such claim or **suit**, including actual loss of earnings up to \$1000 a day because of time off from work.
 4. costs taxed against the **insured** in the **suit**, except any:
 - a. attorney fees or litigation expenses; or
 - b. other loss, cost or expense;in connection with any injunction or other equitable relief.
 5. prejudgment interest awarded against the **insured** on that part of a judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

**Supplementary
Payments**
(continued)

6. interest on the full amount of a judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.
- B. Supplementary Payments does not include any fine or other penalty.
- C. Supplementary Payments will not reduce the Limits Of Insurance.
- Our obligation to make these payments ends when we have used up the applicable Limit Of Insurance.

Coverage Territory

*Excess Follow-Form
Coverage A*

With respect to Excess Follow-Form Coverage A, this insurance applies anywhere that the applicable **underlying insurance** applies.

Umbrella Coverage B

With respect to Umbrella Coverage B, this insurance applies anywhere.

**Who Is An Insured/
Excess Follow-Form
Coverage A**

With respect to Excess Follow-Form Coverage A, the following persons and organizations qualify as **insureds**:

- the Named **Insured** shown in the Declarations; and
- other persons or organizations qualifying as an insured in **underlying insurance**, but not beyond the extent of any limitation imposed under any contract or agreement.

**Who Is An Insured/
Umbrella Coverage B**

With respect to Umbrella Coverage B, the following persons and organizations qualify as **insureds**.

Sole Proprietorships

If you are an individual, you and your spouse are **insureds**; but you and your spouse are **insureds** only with respect to the conduct of a business of which you are the sole owner.

If you die:

- persons or organizations having proper temporary custody of your property are **insureds**; but they are **insureds** only with respect to the maintenance or use of such property and only for acts until your legal representative has been appointed; and
- your legal representatives are **insureds**; but they are **insureds** only with respect to their duties as your legal representatives. Such legal representatives will assume your rights and duties under this insurance.

*Partnerships Or Joint
Ventures*

If you are a partnership (including a limited liability partnership) or a joint venture, you are an **insured**. Your members, your partners and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business.

Who Is An Insured/ Umbrella Coverage B (continued)

Limited Liability Companies If you are a limited liability company, you are an **insured**. Your members and their spouses are **insureds**; but they are **insureds** only with respect to the conduct of your business. Your managers are **insureds**; but they are **insureds** only with respect to their duties as your managers.

Other Organizations If you are an organization (including a professional corporation) other than a partnership, joint venture or limited liability company, you are an **insured**. Your directors and **officers** are **insureds**; but they are **insureds** only with respect to their duties as your directors or **officers**. Your stockholders and their spouses are **insureds**; but they are **insureds** only with respect to their liability as your stockholders.

Employees Your **employees** are **insureds**; but they are **insureds** only for acts within the scope of their employment by you or while performing duties related to the conduct of your business.

Volunteers Persons who are volunteer workers for you are **insureds**; but they are **insureds** only for acts within the scope of their activities for you and at your direction.

Real Estate Managers Persons (other than your **employees**) or organizations while acting as your real estate managers are **insureds**; but they are **insureds** only with respect to their duties as your real estate managers.

Lessors Of Equipment Persons or organizations from whom you lease equipment are **insureds**; but they are **insureds** only with respect to the maintenance or use by you of such equipment and only if you are contractually obligated to provide them such insurance as is afforded by this contract.

However, no such person or organization is an **insured** with respect to any:

- damages arising out of their sole negligence; or
- **occurrence** that occurs, or offense that is committed, after the equipment lease ends.

Lessors Of Premises Persons or organizations from whom you lease premises are **insureds**; but they are **insureds** only with respect to the ownership, maintenance or use of that particular part of such premises leased to you and only if you are contractually obligated to provide them with such insurance as is afforded by this contract.

However, no such person or organization is an **insured** with respect to any:

- damages arising out of their sole negligence;
- **occurrence** that occurs, or offense that is committed, after you cease to be a tenant in the premises; or
- structural alteration, new construction or demolition operations performed by or on behalf of them.

**Who Is An Insured/
Umbrella Coverage B**
(continued)

**Subsidiary Or Newly
Acquired Or Formed
Organizations**

If there is no other insurance available, the following organizations will qualify as named **insureds**:

- a subsidiary organization of the first named **insured** shown in the Declarations of which, at the beginning of the policy period and at the time of loss, such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization; or
- a subsidiary organization of the first named **insured** shown in the Declarations that such first named **insured** acquires or forms during the policy period, if at the time of loss such first named **insured** controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization.

**Limitations On Who Is An
Insured**

With respect to Umbrella Coverage B, the following limitations apply to Who Is An Insured.

- A. Except to the extent provided under the Subsidiary Or Newly Acquired Or Formed Organizations provision, no person or organization is an **insured** with respect to the conduct of any person or organization that is not shown as a named **insured** in the Declarations.
- B. No person or organization is an **insured** with respect to the:
 - 1. ownership, maintenance or use of any assets; or
 - 2. conduct of any person or organization whose assets, business or organization; you acquire, either directly or indirectly, for any:
 - **bodily injury** or **property damage** that occurred; or
 - **advertising injury** or **personal injury** arising out of an offense first committed; in whole or in part, before you, directly or indirectly, acquired such assets, business or organization.
- C. No person or organization is an **insured** with respect to the conduct of any partnership (including any limited liability partnership), joint venture or limited liability company that is not shown as a named **insured** in the Declarations.

Limits Of Insurance

With respect to all coverages under this contract, the Limits Of Insurance shown in the Declarations and the rules below fix the most we will pay, regardless of the number of:

- **insureds**;
- claims made or **suits** brought;
- persons or organizations making claims or bringing **suits**;
- vehicles involved; or
- coverages provided in this contract.

Limits Of Insurance*(continued)*

The aggregate limits apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months (starting with the beginning of the policy period shown in the Declarations), provided the applicable aggregate limits in **underlying insurance** apply in such manner. If the aggregate limits in **underlying insurance** do not so apply, the applicable aggregate limits of this insurance will apply to the entire policy period and not separately to any portion (whether annual or otherwise) thereof.

If the policy period is extended after issuance, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.

Excess Coverage Other Aggregate Limit

Subject to the Each Occurrence Limit, the Excess Coverage Other Aggregate Limit is the most we will pay for the sum of **loss** under Excess Follow-Form Coverage A, except **loss**:

- included in the products-completed operations hazard;
- arising out of advertising injury or personal injury; or
- otherwise covered by **underlying insurance**, but to which no aggregate limit in such **underlying insurance** applies.

The Excess Coverages Other Aggregate Limit will apply separately to **loss** in the same manner as each aggregate limit so applies in each coverage or policy described in the Schedule Of Underlying Insurance.

Umbrella Coverages Aggregate Limit

Subject to the Each Occurrence Limit, the Umbrella Coverages Aggregate Limit is the most we will pay for the sum of **loss** under Umbrella Coverages, except **loss**:

- included in the **products-completed operations hazard**; or
- arising out of **advertising injury** or **personal injury**.

Products-Completed Operations Aggregate Limit

Subject to the Each Occurrence Limit, the Products-Completed Operations Aggregate Limit is the most we will pay for the sum of **loss** included in the products-completed operations hazard, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Advertising Injury And Personal Injury Aggregate Limit

The Advertising Injury And Personal Injury Aggregate Limit is the most we will pay for the sum of **loss** for advertising injury and personal injury, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Each Occurrence Limit

The Each Occurrence Limit is the most we will pay for the sum of **loss** arising out of any one occurrence, even if such **loss** is or otherwise would be covered in whole or in part under more than one coverage.

Any amount paid for **loss** will reduce the amount of the applicable aggregate limit available for any other payment.

If the applicable aggregate limit has been reduced to an amount that is less than the Each Occurrence Limit, the remaining amount of such aggregate limit is the most that will be available for any other payment.

**When Excess
Follow-Form
Coverage A Applies
(Drop Down)**

Subject to all of the terms and conditions of this insurance, with respect to Excess Follow-Form Coverage A, if the applicable **underlying limits** are:

- reduced by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits), Excess Follow-Form Coverage A will drop down to apply in excess of the remaining amount of the applicable **underlying limits**; or
- exhausted by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits), Excess Follow-Form Coverage A will apply in the same manner as the applicable **underlying insurance** would have applied but for such exhaustion.

**Exclusions/
Excess Follow-Form
Coverage A**

With respect to Excess Follow-Form Coverage A, the following exclusions apply.

Pollution

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**, other than as described in paragraph C. below.
- B. Paragraph A. above does not apply to:
 - 1. bodily injury or property damage included in the products-completed operations hazard;
 - 2. bodily injury or property damage:
 - a. caused by the escape of operating fluids which are needed to perform the normal electrical, hydraulic or mechanical functions necessary for the operation of mobile equipment or its parts;
 - b. if sustained within a building and caused by the release of gaseous irritants or contaminants from materials brought into that building, in connection with operations being performed by you or on your behalf by a contractor or subcontractor; or
 - c. resulting from your other ongoing contracting operations;
 - 3. bodily injury if sustained within a building and caused by the escape of gaseous irritants or contaminants from equipment used to heat that building;
 - 4. bodily injury or property damage caused by heat, smoke or fumes from a **hostile fire**; or
 - 5. bodily injury or property damage resulting from the ownership, maintenance or use of an auto.
- C. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**:
 - 1. which are or were at any time transported, handled, stored, disposed of, processed or treated as waste by or for any:
 - a. **insured**; or
 - b. person or organization for whom any **insured** may be legally responsible.
 - 2. at or from any premises, site or location:
 - a. which is or was at any time used by or for any **insured** or others for the handling, storage, disposal, processing or treatment of waste; or

**Exclusions/
Excess Follow-Form
Coverage A**

*Pollution
(continued)*

- b. on which any **insured** or any contractor or subcontractor working directly or indirectly on any **insured's** behalf is performing operations, if the operations are to test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**.

D. This insurance does not apply to any loss, cost or expense arising out of any:

1. request, demand, order, or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
2. claim or proceeding by or on behalf of any governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

Paragraph D. above does not apply to the liability for damages, for property damage, that the **insured** would have in the absence of such request, demand, order or regulatory or statutory requirement, or such claim or proceeding by or on behalf of a governmental authority.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

*Obligations Of Underlying
Insurance*

This insurance does not apply to any liability or loss, cost or expense for which the liability or obligation under **underlying insurance** is by law unlimited.

*Underlying Insurance
Exclusions*

Notwithstanding anything to the contrary set forth in any other provision of this contract, this insurance does not apply to any liability or loss, cost or expense to which the terms and conditions of **underlying insurance** do not apply.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage**

With respect to Umbrella Coverage B, Bodily Injury And Property Damage Liability Coverage, the following exclusions apply.

*Aircraft: Owned Or Rented
Without Crew*

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any aircraft owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to an aircraft that is:

- loaned or rented to you with a paid, trained crew; and
- not owned, in whole or in part, by any **insured**.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage**
(continued)

*Autos: U.S.A., Canada Or
Puerto Rico* This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any **auto** owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to **bodily injury** or **property damage** caused by an **occurrence** that takes place outside of the United States of America (including its possessions or territories), Canada and Puerto Rico.

*Damage To Impaired
Property Or Property Not
Physically Injured* This insurance does not apply to **property damage** to:

- **impaired property**; or
- property that has not been physically injured;

arising out of any:

- defect, deficiency, inadequacy or dangerous condition in **your product** or **your work**; or
- delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms and conditions.

This exclusion does not apply to the loss of use of other tangible property resulting from sudden and accidental physical injury to **your product** or **your work** after it has been put to its intended use.

*Damage To Insureds
Property* This insurance does not apply to **property damage** to any property:

- owned by you; or
- of any **insured**, that is in the care, control or custody of any other **insured**.

Damage To Your Product This insurance does not apply to **property damage** to **your product** arising out of it or any part of it.

*Damage To Your Work Or
Related Property* This insurance does not apply to **property damage** to:

- **your work** arising out of it or any part of it;
- that particular part of real property on which you or any contractor or subcontractor working directly or indirectly on your behalf is performing operations, if the **property damage** arises out of those operations; or
- that particular part of any property that must be restored, repaired or replaced because **your work** was incorrectly performed on it.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage**
(continued)

*Expected Or Intended
Injury*

This insurance does not apply to **bodily injury** or **property damage** arising out of an act that:

- is intended by the **insured**; or
- would be expected from the standpoint of a reasonable person in the circumstances of the **insured**;

to cause **bodily injury** or **property damage**, even if the actual **bodily injury** or **property damage** is of a different degree or type than intended or expected.

This exclusion does not apply to **bodily injury** or **property damage** resulting from the use of reasonable force to protect persons or tangible property.

Loss In Progress

This insurance does not apply to **bodily injury** or **property damage** that is a change, continuation or resumption of any **bodily injury** or **property damage** known by you, prior to the beginning of the policy period, to have occurred.

Bodily injury or **property damage** will be deemed to be known by you:

- A. if such injury or damage is known by, or should have been known from the standpoint of a reasonable person in the circumstances of:
 - 1. you;
 - 2. any of your directors, managers, members, **officers** (or their designees) or partners (whether or not an **employee**); and
- B. when any person described in paragraph A. above:
 - 1. reports all, or any part, of any such injury or damage to us or any other insurer;
 - 2. receives a claim or a demand for damages because of any such injury or damage; or
 - 3. becomes aware that any such injury or damage has occurred or has begun to occur.

Watercraft: Owned

This insurance does not apply to **bodily injury** or **property damage** arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any watercraft owned or operated by or loaned or rented to any **insured**.

This exclusion does not apply to a watercraft:

- while ashore on premises owned by or rented to you; or
 - that is not owned, in whole or in part, by any **insured**.
-

<i>Exclusions/ Umbrella Coverage B Advertising Injury/ Personal Injury</i>	With respect to Umbrella Coverage B, Advertising Injury And Personal Injury Liability Coverage, the following exclusions apply.
<i>Breach Of Contract</i>	This insurance does not apply to advertising injury or personal injury arising out of breach of contract.
<i>Continuing Offenses</i>	This insurance does not apply to advertising injury or personal injury that arises out of that part of an offense that continues or resumes after the later of the end of the policy period of: A. this insurance; or B. a subsequent, continuous renewal or replacement of this insurance, that: 1. is issued to you by us or by an affiliate of ours; 2. remains in force while the offense continues; and 3. would otherwise apply to advertising injury and personal injury.
<i>Crime Or Fraud</i>	This insurance does not apply to advertising injury or personal injury arising out of any criminal or fraudulent conduct committed by or with the consent or knowledge of the insured .
<i>Expected Or Intended Injury</i>	This insurance does not apply to advertising injury or personal injury arising out of an offense, committed by or behalf of the insured, that: • is intended by such insured; or • would be expected from the standpoint of a reasonable person in the circumstances of such insured; to cause injury.
<i>Failure To Conform To Representations Or Warranties</i>	This insurance does not apply to advertising injury or personal injury arising out of the failure of goods, products or services to conform with any electronic, oral, written or other representation or warranty of durability, fitness, performance, quality or use.
<i>Internet Activities</i>	This insurance does not apply to advertising injury or personal injury arising out of: • controlling, creating, designing or developing of another's Internet site; • controlling, creating, designing, developing, determining or providing the content or material of another's Internet site; • controlling, facilitating or providing, or failing to control, facilitate or provide, access to the Internet or another's Internet site; or • publication of content or material on or from the Internet, other than material developed by you or at your direction.
<i>Prior Offenses</i>	This insurance does not apply to advertising injury or personal injury arising out of any offense first committed before the beginning of the policy period.

**Exclusions/
Umbrella Coverage B
Advertising Injury/
Personal Injury**
(continued)

*Publications With
Knowledge Of Falsity*

This insurance does not apply to **advertising injury** or **personal injury** arising out of any electronic, oral, written or other publication of material by or with the consent of the **insured**:

- with knowledge of its falsity; or
- if a reasonable person in the circumstances of such **insured** would have known such material to be false.

*Wrong Description Of
Prices*

This insurance does not apply to **advertising injury** or **personal injury** arising out of the wrong description of the price of goods, products or services.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury**

With respect to Umbrella Coverage B, Bodily Injury And Property Damage Liability Coverage and Advertising Injury And Personal Injury Liability Coverage, the following exclusions apply.

*Employee Or Worker
Injury*

A. This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** sustained by an **employee** or **temporary worker** of the **insured** arising out of and in the course of:

1. employment by the **insured**; or
2. performing duties related to the conduct of the **insured's** business.

B. This insurance does not apply to **bodily injury, property damage, personal injury** or **advertising injury** sustained by the brother, child, parent, sister or spouse of such injured person, as a consequence of any injury or damage described in paragraph A. above.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share damages with or repay someone else who must pay damages because of any injury or damage described in paragraphs A. or B. above.

*Enhancement,
Maintenance Or Prevention
Expenses*

This insurance does not apply to any loss, cost or expense incurred by you or others for any:

- A. enhancement or maintenance of any property; or
- B. prevention of any injury or damage to any:
 1. person or organization; or
 2. property you own, rent or occupy.

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury
(continued)**

**Intellectual Property Laws
Or Rights**

This insurance does not apply to any actual or alleged **bodily injury, property damage, advertising injury** or **personal injury** arising out of, giving rise to or in any way related to any actual or alleged:

- assertion; or
- infringement or violation;

by any person or organization (including any **insured**) of any **intellectual property law or right**, regardless of whether this insurance would otherwise apply to all or part of any such actual or alleged injury or damage in the absence of any such actual or alleged assertion, infringement or violation.

This exclusion applies, unless such injury:

- is caused by an offense described in the definition of **advertising injury**; and
- does not arise out of, give rise to or in any way relate to any actual or alleged assertion, infringement or violation of any **intellectual property law or right**, other than one described in the definition of **advertising injury**.

Pollution

- A. This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **pollutants**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **pollutants**.

This exclusion applies regardless of whether or not the pollution was accidental, expected, gradual, intended, preventable or sudden.

**Recall Of Products, Work
Or Impaired Property**

This insurance does not apply to damages claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- **your product;**
- **your work;** or
- **impaired property;**

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury**

*Recall Of Products, Work
Or Impaired Property
(continued)*

if such product, work or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

Policy Exclusions

With respect to all coverages under this contract, the following exclusions apply.

Asbestos

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of **asbestos**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
 1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **asbestos**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **asbestos**.

Coverages/ Laws, Various

This insurance does not apply to any liability or loss, cost or expense or obligation of any **insured** under any:

- medical expenses or payments coverage;
- no-fault law;
- personal injury protection coverage;
- underinsured or uninsured financial responsibility law;
- workers' compensation, disability benefits or unemployment compensation law; or
- similar coverage or law.

Employee Retirement Income Security Laws

This insurance does not apply to any liability or loss, cost or expense or obligation of any **insured** under the United States of America Employees' Retirement Income Security Act (E.R.I.S.A.) of 1974 or any similar law, as now constituted or hereafter amended.

Employment-Related Practices

- A. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by any person, whether or not sustained in the course of employment by any **insured**, arising out of any employment-related act, omission, policy, practice or representation directed at such person, occurring in whole or in part at any time, including any:
 1. arrest, detention or imprisonment;

Policy Exclusions

Employment-Related Practices (continued)

2. breach of any express or implied covenant;
 3. coercion, criticism, humiliation, prosecution or retaliation;
 4. defamation or disparagement;
 5. demotion, discipline, evaluation or reassignment;
 6. discrimination, harassment or segregation;
 7.
 - a. eviction; or
 - b. invasion or other violation of any right of occupancy;
 8. failure or refusal to advance, compensate, employ or promote;
 9. invasion or other violation of any right of privacy or publicity;
 10. termination of employment; or
 11. other employment-related act, omission, policy, practice, representation or relationship in connection with any **insured** at any time.
- B. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by the brother, child, parent, sister or spouse of such person at whom any employment-related act, omission, policy, practice or representation is directed, as described in paragraph A. above, as a consequence thereof.

This exclusion applies:

- whether the **insured** may be liable as an employer or in any other capacity; and
- to any obligation to share damages with or repay someone else who must pay damages because of any of the foregoing.

Nuclear Energy

- A. This insurance does not apply to any liability or loss, cost or expense:
1. with respect to which any **insured** under this policy also has status as an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would have had status as an insured under any such policy but for its termination upon exhaustion of its limit of insurance; or
 2. arising out of the **nuclear hazardous properties of nuclear material** and with respect to which:
 - a. any person or organization is required to maintain financial protection pursuant to the United States of America Atomic Energy Act of 1954, or any law amendatory thereof; or
 - b. the **insured** is, or had this policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.
- B. This insurance does not apply to any liability or loss, cost or expense arising out of the **nuclear hazardous properties of nuclear material**:
1. if the **nuclear material**:
 - a. is at any **nuclear facility** owned by, or operated by or on behalf of, any **insured**;

Policy Exclusions

Nuclear Energy
(continued)

- b. has been discharged or dispersed therefrom; or is contained in **nuclear spent fuel** or **nuclear waste** at any time transported, handled, stored, disposed of, processed, treated, possessed or used by or on behalf of any **insured**; or
- 2. in any way related to the furnishing by any **insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**. But if such facility is located within the United States of America (including its possessions or territories) or Canada, this subparagraph 2. applies only to **nuclear property damage** to such **nuclear facility** and any property thereat.

Conditions

With respect to all coverages under this contract, the following conditions apply.

Appeals

We may, at our discretion, initiate or participate in an appeal of a judgment, if such judgment may result in a payment under this insurance.

If we initiate or participate in an appeal, we will pay our costs of the appeal. But in no case will the amount we pay for **loss** exceed the Limits Of Insurance.

Audit Of Books And Records

We may audit your books and records as they relate to this insurance at any time during the term of this policy and up to three years afterwards.

Bankruptcy

Bankruptcy or insolvency of the **insured** or of the **insured's** estate will not relieve us of our obligations under this insurance.

Cancellation

The first named **insured** may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect.

We may cancel this policy or any of its individual coverages at any time by sending to the first named **insured** a notice sixty (60) days, or twenty (20) days in the event of non-payment of premium, in advance of the cancellation date. Our notice of cancellation will be mailed to the first named **insured's** last known address and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Changes

This policy can only be changed by a written endorsement that becomes part of this policy. The endorsement must be signed by one of our authorized representatives.

Compliance By Insureds

We have no duty to provide coverage under this policy unless you and any other involved **insured** have fully complied with all of the terms and conditions of the policy.

Conditions

(continued)

Conformance

Any terms of this insurance which are in conflict with the applicable statutes of the State in which this policy is issued are amended to conform to such statutes.

Disclosures And Representations

We have issued this insurance:

- Based upon representations you made to us; and
- in reliance upon your representatives.

Unintentional failure of an employee of the **insured** to disclose a hazard or other material information will not violate this condition, unless an officer (whether or not an employee) of any **insured** or an officer's designee knows about such hazard or other material information.

Duties In The Event Of Occurrence, Offense, Claim Or Suit

A. You must see to it that we and any insurers of **underlying insurance** are notified as soon as practicable of any occurrence or offense that may result in a claim, if the claim may involve us or other insurers. To the extent possible, notice should include:

1. how, when and where the occurrence or offense happened;
2. the names and addresses of any injured persons and witnesses; and
3. the nature and location of any injury or damage arising out of the occurrence or offense.

Notice of an occurrence or offense is not notice of a claim.

B. If a claim is made or **suit** is brought against any **insured**, you must:

1. immediately record the specifics of the claim or **suit** and the date received;
2. notify us and any other insurers as soon as practicable; and
3. see to it that we receive written notice of the claim or **suit** as soon as practicable.

C. You and any other involved **insured** must:

1. immediately send us copies of any demands, notices, summonses or legal papers received in connection with the claim or **suit**;
2. authorize us to obtain records and other information;
3. cooperate with us and any other insurers in the:
 - a. investigation or settlement of the claim; or
 - b. defense against the **suit**; and
4. assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to the **insured** because of loss to which this insurance may also apply.

D. No **insureds** will, except at that **insured's** own cost, make any payment, assume any obligation or incur any expense without our consent.

E. Notice given by or on behalf of:

1. the **insured**;

Conditions

Duties In The Event Of Occurrence, Offense, Claim Or Suit (continued)

2. the injured person; or
 3. any other claimant;
- to a licensed agent of ours with particulars sufficient to identify the **insured** shall be deemed notice to us.
- F. Knowledge of an occurrence or offense by an agent or employee of the **insured** will not constitute knowledge by the **insured**, unless an officer (whether or not an employee) of any **insured** or an officer's designee knows about such occurrence or offense.
 - G. Failure of an agent or employee of the **insured**, other than an officer (whether or not an employee) of any **insured** or an officer's designee, to notify us of an occurrence or offense which such person knows about will not affect the insurance afforded to you.
 - H. If a claim or loss does not reasonably appear to involve either this insurance or any **underlying insurance**, but it later develops into a claim or loss to which this insurance applies, the failure to report it to us will not violate this condition, provided the **insured** gives us immediate notice as soon as the **insured** is aware that this insurance may apply to such claim or loss.

First Named Insured

The person or organization first named in the Declarations is primarily responsible for payment of all premiums. The first named **insured** will act on behalf of all other named **insureds** for the giving and receiving of notice of cancellation or nonrenewal and the receiving of any return premiums that become payable under this policy.

Inspections And Surveys

We may:

- make inspections and surveys at any time;
- give you reports on the conditions we find; and
- recommend changes.

Any inspections, surveys, reports or recommendations relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:

- are safe or healthful; or
- comply with laws, regulations, codes or standards.

This condition applies not only to us, but also to any rating, advisory, rate service or similar organization, which makes insurance inspections, surveys, reports or recommendations for us.

Joint Duties In Non- Admitted Jurisdictions

With respect to an occurrence, offense, claim or **suit**, to which this insurance applies, that arises in a **non-admitted jurisdiction**:

- A. we have no duty to defend any person or organization against any claim or **suit**; but we may, at our discretion, assume control of or participate in any investigation, defense, settlement or recovery proceedings.
- B. you and any other **insured** must:

Conditions

Joint Duties In Non-Admitted Jurisdictions (continued)

1. make such investigation, defense or settlement as we deem reasonable;
 2. obtain our approval for any payment; and
 3. effect approved payments to others, in accordance with the terms and conditions of this insurance.
- C. we will reimburse funds to the **insured** for payments approved by us for:
1. **loss**; and
 2. expenses and other payments; to which this insurance applies.
- D. we will make those reimbursements:
1. in a jurisdiction that is mutually acceptable; and
 2. until we have used up the applicable Limits Of Insurance.

Legal Action Against Us

No person or organization has a right under this insurance to:

- join us as a party or otherwise bring us into a **suit** seeking damages from an **insured**; or
- sue us on this insurance unless all of the terms and conditions of this insurance have been fully complied with.

A person or organization may sue us to recover on an **agreed settlement** or on a final judgment against an **insured** obtained after an actual:

- trial in a civil proceeding; or
- arbitration or other alternative dispute resolution proceeding;

but we will not be liable for damages that are not payable under the terms and conditions of this insurance or that are in excess of the applicable Limits Of Insurance.

Maintenance Of Underlying Insurance And Underlying Limits

We have issued this insurance in reliance upon representations made by you about **underlying insurance** and **underlying limits**. You must see to it that:

- **underlying insurance** is and remains valid and in full force and effect.
- **underlying insurance** will not be cancelled, non-renewed or rescinded without replacement by coverage to which we agree.
- the terms and conditions of **underlying insurance** will not materially change, unless we agree otherwise.
- the terms and conditions of renewals or replacements of **underlying insurance**, shown in the Schedule Of Underlying Insurance, will be materially the same as the prior coverage, unless we agree otherwise.
- the **underlying limits** are and remain available, regardless of any bankruptcy, insolvency or other financial impairment of any insurer or any other person or organization.
- the **underlying limits**, shown in the Schedule Of Underlying Insurance, will not be reduced or exhausted, except for the reduction or exhaustion by payment of judgments, settlements or related costs or expenses (if such costs or expenses reduce such limits).

Conditions

Maintenance Of Underlying Insurance And Underlying Limits

(continued)

Failure to comply with this condition will not invalidate this insurance. But in the case of any such failure, our obligation or liability will not exceed that which would have applied absent any failure to comply with this condition.

You must notify us as soon as practicable if any **underlying insurance** is no longer valid or in full force or effect.

Other Insurance

If other valid and collectable insurance is available to the **insured** for loss we would otherwise cover under this insurance, our obligations are limited as follows.

This insurance is excess over any **other insurance**, whether primary, excess, contingent or on any other basis.

We will have no duty to defend the **insured** against any **suit** if any provider of any other insurance has a duty to defend such **insured** against such **suit**.

We will pay only our share of the amount of **loss**, if any, that exceeds the sum of the total:

- amount that all **other insurance** would pay for loss in the absence of this insurance; and
- of all deductible and self-insured amounts under all **other insurance**.

This insurance is not subject to the terms or conditions of any **other insurance**.

Separation Of Insureds

Except with respect to the Limits Of Insurance, and any rights or duties specifically assigned in this insurance to the first named **insured**, this insurance applies:

- as if each named **insured** were the only named **insured**; and
- separately to each **insured** against whom claim is made or **suit** is brought.

Titles Of Paragraphs

The titles of the various paragraphs of this policy and endorsements, if any, attached to this policy are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provisions to which they relate.

Transfer Of Rights And Duties

Your rights and duties under this insurance may not be transferred without our written consent. However, if you die, then your rights and duties will be transferred to your legal representative, but only while acting within the scope of duties as your legal representative, or to anyone having temporary custody of your property until your legal representative has been appointed.

Transfer Or Waiver Of Rights Of Recovery Against Others

We will waive the right of recovery we would otherwise have had against another person or organization for loss to which this insurance applies, provided the **insured** has waived their rights of recovery against such person or organization in a contract or agreement that is executed before loss.

To the extent that the **insured's** rights to recover all or part of any payment made under this insurance have not been waived, those rights are transferred to us. The **insured** must do nothing after loss to impair them. At our request, the **insured** will bring **suit** or transfer those rights to us and help us enforce them.

Conditions

*Transfer Or Waiver Of
Rights Of Recovery
Against Others
(continued)*

Any amount recovered will be apportioned as follows:

- first, we shall receive all amounts recovered until we have been fully reimbursed for all amounts we have incurred, including costs or expenses of such recovery proceedings.
- Then, you are entitled to claim for any further amount recovered.

When We Do Not Renew

If we decide not to renew this policy, we will mail or deliver to the first named **insured** stated in the Declarations written notice of the nonrenewal not less than sixty (60) days before the expiration date. If notice of nonrenewal is mailed, proof of mailing will be sufficient proof of notice.

**Definitions/
Umbrella Coverage B**

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Advertisement

Advertisement means an electronic, oral, written or other notice, about goods, products or services, designed for the specific purpose of attracting the general public or a specific market segment to use such goods, products or services.

Advertisement does not include any e-mail address, Internet domain name or other electronic address or metalanguage.

Advertising Injury

Advertising injury means injury, other than **bodily injury**, **property damage** or **personal injury**, sustained by a person or organization and caused by an offense of infringing, in that particular part of your **advertisement** about your goods, products or services, upon their:

- copyrighted **advertisement**; or
- registered collective mark, registered service mark or other registered trademarked name, slogan, symbol or title.

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include mobile equipment.

Bodily Injury

Bodily injury means physical:

- injury;
- sickness; or
- disease;

sustained by a person, including resulting death, humiliation, mental anguish, mental injury or shock at any time. All such loss shall be deemed to occur at the time of the physical injury, sickness or disease that caused it.

Employee

Employee includes a **leased worker**. **Employee** does not include a **temporary worker**.

Impaired Property

Impaired property means tangible property, other than **your product** or **your work**, that cannot be used or is less useful because:

- it incorporates **your product** or **your work** that is known or thought to be defective, deficient, inadequate or dangerous; or
- you have failed to fulfill the terms or conditions of a contract or agreement;

if such property can be restored to use by:

- the repair, replacement, adjustment or removal of **your product** or **your work**; or
- your fulfilling the terms or conditions of the contract or agreement.

**Definitions/
Umbrella Coverage B**
(continued)

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Insured Contract

Insured contract means an oral or written contract or agreement pertaining to your business, in which you assume the tort liability of another person or organization to pay damages, to which this insurance applies, sustained by a third person or organization, provided the injury or damage occurs, or is caused by an offense that is first committed, after the execution of such contract or agreement.

Intellectual Property Law Or Right

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
- right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
- other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or
- other judicial or statutory law concerning piracy, unfair competition or other similar practices.

Leased Worker

Leased worker means a person leased to a party by a labor leasing firm, in a contract or agreement between such party and the labor leasing firm, to perform duties related to the conduct of the party's business. **Leased worker** does not include a **temporary worker**.

Loading Or Unloading

Loading or unloading:

- A. means the handling of property:
 - 1. after it is moved from the place where it is accepted for movement into or onto an aircraft, **auto** or watercraft;
 - 2. while it is in or on an aircraft, **auto** or watercraft; or
 - 3. while it is being moved from an aircraft, **auto** or watercraft to the place where it is finally delivered.
- B. does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, **auto** or watercraft.

Occurrence

Occurrence means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

Officer

Officer means a person holding any of the officer positions created by an organization's charter, constitution, by-laws or any other similar governing document.

**Definitions/
Umbrella Coverage B**
(continued)

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Personal Injury

Personal injury means injury, other than **bodily injury**, **property damage** or **advertising injury**, caused by an offense of:

- A. false arrest, false detention or other false imprisonment;
- B. malicious prosecution;
- C. wrongful entry into, wrongful eviction of a person from or other violation of a person's right of private occupancy of a dwelling, premises or room that such person occupies, if committed by or on behalf of its landlord, lessor or owner;
- D. electronic, oral, written or other publication of material that:
 1. libels or slanders a person or organization (which does not include disparagement of goods, products, property or services); or
 2. violates a person's right of privacy;
- E. discrimination, harrassment or segregation based on a person's protected human characteristics as established by law.

*Products-Completed
Operations Hazard*

Products-completed operations hazard:

- A. includes all **bodily injury** and **property damage** taking place away from premises owned or occupied by or loaned or rented to you and arising out of **your product** or **your work**, except:

1. products that are still in your physical possession; or
2. work that has not yet been completed or abandoned.

Your work will be deemed completed when:

- all of the work called for in your contract or agreement has been completed.
- all of the work to be performed at the site has been completed, if your contract or agreement calls for work at more than one site.
- that part of the work completed at a site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- B. does not include **bodily injury** or **property damage** arising out of:
 1. the transportation of property, unless the injury or damage results from a condition in or on a vehicle not owned or operated by or loaned or rented to you and that condition was created by the **loading or unloading** of that vehicle by any **insured**;
 2. the existence of tools, uninstalled equipment or abandoned or unused materials; or

**Definitions/
Umbrella Coverage B**

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

*Products-Completed
Operations Hazard
(continued)*

3. products or operations for which the classification in our rules indicates that such products or operations are not subject to the Products-Completed Operations Aggregate Limits Of Insurance.

Property Damage

Property damage means:

- physical injury to tangible property, including resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the **occurrence** that caused it.

Tangible property does not include any software, data or other information that is in electronic form.

Temporary Worker

Temporary worker means a person who is furnished to a party to substitute for a permanent **employee** on leave or to meet seasonal or short-term workload conditions.

Your Product

Your product:

- A. means any:
1. goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
 - a. you;
 - b. others trading under your name; or
 - c. a person or organization whose assets or business you have acquired; and
 2. containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
- B. includes:
1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your product**; and
 2. the providing of or failure to provide instructions or warnings.
- C. does not include vending machines or other property loaned or rented to or located for the use of others but not sold.

Your Work

Your work:

- A. means any:
1. work or operations performed by:
 - a. you or on your behalf; or
 - b. a person or organization whose assets or business you have acquired; and

**Definitions/
Umbrella Coverage B**

WITH RESPECT TO UMBRELLA COVERAGE B, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

*Your Work
(continued)*

2. materials, parts or equipment furnished in connection with such work or operations.
- B. includes:
 1. representations or warranties made at any time with respect to the durability, fitness, performance, quality or use of **your work**; and
 2. the providing of or failure to provide instructions or warnings.

Policy Definitions

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Agreed Settlement

Agreed settlement means a settlement and release of liability signed by us, the **insured** and the claimant or the claimant's legal representative.

Asbestos

Asbestos means asbestos in any form, including its presence or use in any alloy, by-product or other material or waste. Waste includes material to be recycled, reconditioned or reclaimed.

Hostile Fire

Hostile fire means one, which becomes uncontrollable or breaks out from where it was intended to be.

Insured

Insured means a person or an organization qualifying as an **insured** in the Who Is An Insured sections of this contract.

Loss

Loss:

- means damages that the **insured** becomes legally obligated to pay because of injury or damage.
- does not include sums properly deducted for recoveries or salvage.

Non-Admitted Jurisdiction

Non-admitted jurisdiction means any jurisdiction where we are:

- not licensed or permitted by law to issue insurance; or
- prevented by law or otherwise from investigating, defending or settling an occurrence, offense, claim or **suit**.

Policy Definitions

(continued)

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Nuclear Facility

Nuclear facility means any:

- A. **nuclear reactor**;
- B. equipment or device designed or used for:
 - 1. separating the isotopes of plutonium or uranium;
 - 2. processing or utilizing **nuclear spent fuel**; or
 - 3. handling, processing or packaging **nuclear waste**;
- C. equipment or device used for the processing, fabricating or alloying of **nuclear material** if at any time the total amount of such material in the custody of the **insured** at the premises where such equipment or device is located consists of or contains more than:
 - 1. twenty-five (25) grams of plutonium or uranium 233, or any combination thereof; or
 - 2. two-hundred-fifty (250) grams of uranium 235; or
- D. structure, basin, excavation, premises or place prepared or used for the storage or disposal of **nuclear waste**;

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

Nuclear Hazardous Properties

Nuclear hazardous properties include radioactive, toxic or explosive properties.

Nuclear Material

Nuclear material means **by-product material**, **source material** or **special nuclear material**.

By-product material, **source material** and **special nuclear material** have the meanings given them in the United States of America Atomic Energy Act of 1954 or in any law amendatory thereof.

Nuclear Property Damage **Nuclear property damage** includes all forms of radioactive contamination of property.

Nuclear Reactor

Nuclear reactor means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

Nuclear Spent Fuel

Nuclear spent fuel means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**.

Policy Definitions

(continued)

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Nuclear Waste

Nuclear waste means any waste material:

- containing **nuclear material**, other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its **source material** content; and
- resulting from the operation by any person or organization of any **nuclear facility** described in subparagraphs A. or B. of the definition of **nuclear facility**.

Other Insurance

Other insurance means any insurance affording coverage that this insurance would also afford. **Other insurance** includes any type of self-insurance or other mechanism arranged for funding of **loss**.

Other insurance does not include **underlying insurance** or insurance negotiated specifically to apply in excess of this insurance.

Pollutants

Pollutants means any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials to be recycled, reconditioned or reclaimed.

Suit

Suit means a civil proceeding in which damages, to which this insurance applies, are sought. **Suit** includes an arbitration or other dispute resolution proceeding in which such damages are sought and to which the **insured** must submit or does submit with our consent.

Underlying Insurance

Underlying insurance means the coverages for the hazards described in the Schedule Of Underlying Insurance and the next renewal or replacement insurance thereof.

Underlying Limits

Underlying limits means the sum of amounts:

- A. shown for the hazards described in the Schedule Of Underlying Insurance, consisting of amounts:
 - 1. available under applicable **underlying insurance**; and
 - 2. any **insured** must pay because **underlying insurance**, as represented by you, is not available, regardless of the reason;
- B. available under any applicable antecedent, renewal or replacement of **underlying insurance**;
- C. of any allocation, deductible, participation, retention or other self-insurance applicable to the insurance described in paragraphs A. and B. above; and
- D. any reinstatement of limits or supplemental or other limits available under the insurance described in paragraphs A. and B. above.

Policy Definitions

WITH RESPECT TO ALL COVERAGES UNDER THIS CONTRACT, WHEN USED WITH RESPECT TO INSURANCE UNDER THIS CONTRACT, WORDS AND PHRASES THAT APPEAR IN BOLD PRINT HAVE THE SPECIAL MEANINGS DESCRIBED BELOW.

Underlying Limits
(continued)

If amounts available under the applicable **underlying insurance**, described in the Schedule Of Underlying Insurance, are greater or less than the amount, shown in such Schedule, then the greater of such amounts shall apply in the computation of **underlying limits**.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

The following changes are made as respects exposures in the state of Illinois.

Under Conditions, the provisions titled Cancellation and When We Do Not Renew are deleted and replaced by the following:

Conditions**Cancellation**

The first named **insured** shown in the Declarations may cancel this policy by mailing or delivering to us advance written notice of cancellation.

Cancellation By Us Of Policies In Effect For Fewer Than 60 Days

If this policy is a new policy and has been in effect for fewer than 60 days, we may cancel this for any reason by first class mailing of a written notice of cancellation to the first named **insured** and any agent at least:

- 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- 30 days before the effective date of cancellation, if we cancel for any other reason.

Cancellation By Us Of Policies In Effect For 60 Days Or More

If this policy has been in effect for 60 days or more, or is a renewal or continuation of a policy issued by us, we may cancel this policy only for one or more of the following reasons:

1. nonpayment of premium;
2. material misrepresentation of fact which, if known to us, would have caused us not to issue the policy;
3. substantial change in the risk assumed, except to the extent that we should reasonably have foreseen the change or contemplated the risk in writing the policy;
4. substantial breach of contractual duties, conditions or warranties; or
5. certification of the Director of Insurance of the loss of our reinsurance covering all or a significant portion of the particular policy **insured**, or determination by the Director of Insurance that continuation of the policy would imperil our solvency or place us in violation of the insurance laws of Illinois.

Conditions

Cancellation (continued)

A written notice of cancellation to the first named **insured** and any agent will be mailed at least:

- 10 days before the effective date of cancellation, if we cancel for nonpayment of premium; or
- 60 days before the effective date of cancellation, if we cancel for any reason stated in 1. through 5. above.

Notice of cancellation to the first named **insured** will state the effective date and reasons for cancellation. The policy period will end on that date.

A post office certificate of mailing to the first named **insured** or agent at the last known mailing address will be conclusive proof of receipt of notice.

Earned Premium

If we cancel the policy the earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable. If the first named **insured** cancels, the refund will be less than pro rata. The cancellation will be effective even if we have not offered a refund.

-
- When We Do Not Renew**
- A. If we decide not to renew this policy, we will mail written notice of nonrenewal to the named **insured** and agent, if any, at least 60 days before the expiration date of this policy.
 - B. Even if we do not comply with these terms, this policy will terminate:
 - 1. on the expiration date, if:
 - a. you fail to perform any of your obligations in connection with the payment of the premium for the policy, or any installment payment, whether payable directly to us or our agents or indirectly under any premium finance plan or extension of credit; or
 - b. we have indicated our willingness to renew this policy to you or your representative; or
 - c. you have notified us or our agent that you do not want to renew this policy; or
 - 2. on the effective date of any other insurance replacing this policy.
 - C. Any notice of nonrenewal will state the precise reason for nonrenewal.
 - D. Any notice of nonrenewal will be mailed or delivered to the first named **insured's** and agent's last known addressees. If notice is mailed, proof of mailing will be sufficient proof of notice.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Conditions, the following condition is added to the policy:

Conditions

*Compliance With
Applicable Trade
Sanctions*

This insurance does not apply to the extent that trade or economic sanctions or other laws or regulations prohibit us from providing insurance.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025



CHUBB® **Chubb Commercial Excess And Umbrella Insurance**

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Conditions, the following condition is added.

Conditions

Civil Unions Or Domestic Partnerships All references in the policy to "spouse" include a party to a civil union or domestic partnership recognized under the applicable law of the jurisdiction having authority.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage, the following exclusion titled Aircraft: Owned Or Rented Without Crew is deleted.

***Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage***

*Aircraft: Owned Or
Rented Without Crew*

Under Definitions/Umbrella Coverage B, the definitions titled Auto and Loading Or Unloading are deleted.

***Definitions/
Umbrella Coverage B***

Auto

Loading or Unloading

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Aircraft

This insurance does not apply to any liability or loss, cost or expense arising out of the ownership, maintenance, use (use includes operation and **loading or unloading**) or entrustment to others of any aircraft owned or operated by or loaned or rented to any **insured**.

Under Policy Definitions, the following definitions are added:

Policy Definitions

Auto

Auto means a land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment. But **auto** does not include mobile equipment.

Loading or Unloading

Loading or unloading:

- A. means the handling of property:
 - 1. after it is moved from the place where it is accepted for movement into or onto an aircraft, **auto** or watercraft;
 - 2. while it is in or on an aircraft, **auto** or watercraft; or
 - 3. while it is being moved from an aircraft, **auto** or watercraft to the place where it is finally delivered.
- B. does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, **auto** or watercraft.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Supplementary Payments is deleted in its entirety and replaced by the following:

**Supplementary
Payments**

Subject to all of the terms and conditions of this insurance, under Excess Follow-Form Coverage A or Umbrella Coverage B:

- A. we will pay, with respect to a claim we investigate or settle, or a **suit** against an **insured** we defend:
1. the expenses we incur.
 2. the cost of:
 - a. bail bonds; or
 - b. bonds required to:
 - (1) appeal judgments; or
 - (2) release attachments;but only for bond amounts within the available Limit Of Insurance. We do not have to furnish these bonds.
 3. reasonable expenses incurred by the **insured** at our request to assist us in the investigation or defense of such claim or **suit**, including actual loss of earnings up to \$1000 a day because of time off from work.
 4. costs taxed against the **insured** in the **suit**, except any:
 - a. attorney fees or litigation expenses; or
 - b. other loss, cost or expense;in connection with any injunction or other equitable relief.
 5. prejudgment interest awarded against the **insured** on that part of a judgment we pay. If we make an offer to pay the applicable Limit Of Insurance, we will not pay any prejudgment interest based on that period of time after the offer.

**Supplementary
Payments**
(continued)

6. interest on the full amount of a judgment that accrues after entry of the judgment and before we have paid, offered to pay or deposited in court the part of the judgment that is within the applicable Limit Of Insurance.
- B. Supplementary Payments does not include any fine or other penalty
- C. under Excess Follow-Form Coverage A, if supplementary payments of the applicable **underlying insurance**:
- reduce the limits of **underlying insurance**, then Supplementary Payments made under this coverage will reduce the Limits Of Insurance of this insurance.
 - do not reduce the limits of **underlying insurance**, then Supplementary Payments made under this coverage will not reduce the Limits Of Insurance of this insurance.
- D. under Umbrella Coverage B, Supplementary Payments will not reduce the Limits Of Insurance.

Our obligation to make these payments ends when we have used up the applicable Limit Of Insurance.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions***Professional Services***

This insurance does not apply to any liability or loss, cost or expense arising out of the rendering or failing to render professional service or advice, whether or not that service or advice is ordinary to the **insured's** profession, regardless of whether a claim or **suit** is brought by a client or any other person or organization.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025



Endorsement

<i>Policy Period</i>	OCTOBER 1, 2025	To	OCTOBER 1, 2027
<i>Effective Date</i>	OCTOBER 1, 2025		
<i>Policy Number</i>	7997-83-84		
<i>Insured</i>	COMMUNITY ASSOCIATIONS PG, INC.		
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY		
<i>Date Issued</i>	September 24, 2025		

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage, the following exclusion is added:

Exclusions/ Umbrella Coverage B Bodily Injury/ Property Damage

Alcoholic Beverages

This insurance does not apply to **bodily injury** or **property damage**:

- A. arising out of any causing or contributing to the intoxication of any person, including causing or contributing to the intoxication of any person because alcoholic beverages were brought on your premises;
- B. arising out of any furnishing of alcoholic beverages to a person under the legal drinking age or under the influence of alcohol;
- C. for which any person or organization may be held liable by reason of any ordinance, regulation or statute relating to the distribution, gift, sale or use of alcoholic beverages;
- D. arising out of any providing or failing to provide transportation with respect to any person that may be under the influence of alcohol; or
- E. for which any person or organization may be held liable as an owner or lessor of premises in connection with any circumstances described in subparagraphs A., B., C. or D. above.

This exclusion applies whether or not:

- any charge is made for furnishing or serving alcoholic beverages;
- the purpose of furnishing or serving alcoholic beverages is for financial gain or livelihood; or

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage**

Alcoholic Beverages
(continued)

- any license is required for furnishing or serving alcoholic beverages.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025

A handwritten signature in black ink, appearing to be "P. Williams", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Exclusions/Umbrella Coverage B Advertising Injury/Personal Injury, the following exclusion is added:

**Exclusions/
Umbrella Coverage B
Advertising Injury/
Personal Injury**

Personal Injury

This insurance does not apply to **personal injury**.

It is agreed that, with respect to Coverages/Umbrella Coverage B, all references in the policy to **personal injury** are deleted and no coverage is provided.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage, the following exclusion is added:

***Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage***

***Products Completed
Operations***

This insurance does not apply to **bodily injury** or **property damage** arising out of the **products-completed operations hazard**.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the exclusion titled Intellectual Property Laws Or Rights is deleted.

***Exclusions/Umbrella
Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury***

***Intellectual Property
Laws Or Rights***

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions

***Intellectual Property
Laws Or Rights***

- A. This insurance does not apply to any liability, loss, cost or expense arising out of, giving rise to or in any way related to any actual, alleged or threatened:
1. assertion; or
 2. infringement or violation;
- by any person or organization (including any **insured**) of any **intellectual property law or right**.
- B. Further, this insurance does not apply to the entirety of all allegations in any claim or **suit**, if such claim or **suit** includes an allegation of or a reference to an infringement or violation of any **intellectual property law or right**, even if this insurance would otherwise apply to any part of the allegations in the claim or **suit**.
- C. This exclusion applies unless the only infringement or violation of an **intellectual property law or right** is an offense described in the definition of **advertising injury** to which this insurance applies.

Under Definitions/Umbrella Coverage B, the following definitions are deleted.

Definitions/Umbrella Coverage B

Advertisement

Advertising Injury

*Intellectual Property Law
Or Rights*

Under Policy Definitions, the following definitions are added.

Policy Definitions

Advertisement

Advertisement means an electronic, oral, written or other notice, about goods, products or services, designed for the specific purpose of attracting the general public or a specific market segment to use such goods, products or services.

Advertisement does not include any e-mail address, Internet domain name or other electronic address or metalanguage.

Advertising Injury

Advertising injury means injury, other than **bodily injury, property damage** or **personal injury**, sustained by a person or organization and caused by an offense of infringing, in that particular part of your **advertisement** about your goods, products or services, upon their:

- copyrighted **advertisement**; or
- **registered** collective mark, registered service mark or other registered trademarked name, slogan, symbol or title.

*Intellectual Property Law
Or Right*

Intellectual property law or right means any:

- certification mark, copyright, patent or trademark (including collective or service marks);
- right to, or judicial or statutory law recognizing an interest in, any trade secret or confidential or proprietary non-personal information;
- other right to, or judicial or statutory law recognizing an interest in, any expression, idea, likeness, name, slogan, style of doing business, symbol, title, trade dress or other intellectual property; or



Chubb Commercial Excess And Umbrella Insurance

Endorsement

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Policy Definitions

Intellectual Property Law Or Right • other judicial or statutory law concerning piracy, passing off or similar practices.
(continued)

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions**Lead**

This insurance does not apply to any liability or loss, cost or expense arising out of:

- A. the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of **Lead**; or
- B. 1. any request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of **Lead**; or
- 2. any claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of **Lead**.

Under Policy Definitions, the following Definition is added:

Policy Definitions**Lead**

Lead means the element lead in any form, including its use or presence in any alloy, compound, by-product, or other material or waste. Waste includes materials to be disposed of, recycled, reconditioned or reclaimed.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

*Certified Act Of
Terrorism Exclusion* This insurance does not apply to any loss, cost or expense arising, directly or indirectly, out of a **certified act of terrorism**.

*Application Of Other
Exclusions* The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any loss which would otherwise be excluded under this policy, such as losses excluded by the Nuclear Energy exclusion.

A new section titled Terrorism Definitions is added.

Terrorism Definitions

*Certified Act Of
Terrorism* **Certified act of terrorism** means any act that is certified by the Secretary of the Treasury of the United States to be an act:

A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and

B. that results in damage:

1. within the **United States**; or

2. outside of the **United States** in the case of:

 a. an air carrier or vessel as described in the **terrorism law**; or

 b. the premises of a mission of the United States of America,

which was committed by an individual or individuals as part of an effort to:

- coerce the civilian population; or
- influence the policy or affect the conduct of the Government,

of the **United States**.

Terrorism Definitions

Certified Act Of Terrorism (continued)

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 as amended.

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

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Date Issued September 24, 2025

A new section titled Terrorism Provisions is added to the end of this contract.

Terrorism Provisions

***Cap On Certified
Terrorism Losses***

If:

- aggregate insured losses attributable to one or more **certified acts of terrorism** under the **terrorism law** exceed \$100 billion in a calendar year; and
- we have met our insurer deductible under the **terrorism law**,

we will not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

A new section titled Terrorism Definitions is added.

Terrorism Definitions

***Certified Act Of
Terrorism***

Certified act of terrorism means any act that is certified by the Secretary of the Treasury of the United States to be an act:

- A. of terrorism, a violent act or an act that is dangerous to human life, property or infrastructure; and
 - B. that results in damage:
 - 1. within the **United States**; or
 - 2. outside of the **United States** in the case of:
 - a. an air carrier or vessel as described in the **terrorism law**; or
 - b. the premises of a mission of the United States of America, which was committed by an individual or individuals as part of an effort to:
- coerce the civilian population; or
 - influence the policy or affect the conduct of the Government,
- of the **United States**.

Terrorism Definitions

Certified Act Of Terrorism (continued)

Certified act of terrorism does not include an act that:

- is committed as part of the course of a war declared by the Congress of the **United States**; or
- does not result in property and casualty insurance losses that exceed \$5 million in the aggregate and are attributable to all types of insurance subject to the **terrorism law**.

State

State means any state of the United States of America, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, each of the United States Virgin Islands, and any territory or possession of the United States of America.

Terrorism Law

Terrorism law means the Terrorism Risk Insurance Act of 2002 as amended.

United States

United States means:

- a **state**; and
- the territorial sea and the continental shelf of the United States of America, as described in the **terrorism law**.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added:

Policy Exclusions

Bacteria Or Fungi

- A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged, or threatened contaminative, pathogenic, toxic or other hazardous properties of **bacteria or fungi**.
- B. This insurance does not apply to any loss, cost or expense arising out of any:
1. request, demand, order or regulatory or statutory requirement that any **insured** or others test for, monitor, clean up, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any **bacteria or fungi**; or
 2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of any **bacteria or fungi**.

Under Policy Definitions, the following definition is added:

Policy Definitions

Bacteria Or Fungi

Bacteria or fungi means any:

- A. 1. bacteria;
2. mildew, mold or other fungi;

Policy Definitions

Bacteria Or Fungi
(continued)

- 3. mycotoxins, spores or other by-products of any of the foregoing;
- B. colony or group of any of the foregoing.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. W.", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

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Under Coverage/Excess Follow-Form Coverage A, the following provisions are added:

**Coverage/
Excess Follow-Form
Coverage A
Illinois**

*Claims-Made Insurance
And Extended Reporting
Periods*

Provided the applicable **underlying insurance**, described in this Endorsement, is **claims-made insurance**, this coverage applies only if:

- the injury or damage did not occur, or the offense that causes the injury was not first committed, (as applicable) before the Retroactive Date shown in this Endorsement or after the end of the policy period of this insurance; and
- a claim, with respect to such injury or damage, is first made during the policy period of this insurance or any Extended Reporting Period we provide.

*When Extended
Reporting Periods Apply*

Provided the applicable **underlying insurance** provides extended reporting periods, we will provide Extended Reporting Periods as described below.

We will automatically provide a Basic Extended Reporting Period and, if you purchase it, a Supplemental Extended Reporting Period, if:

- A. this insurance is canceled or not renewed; or
- B. we renew or replace this insurance with other insurance that:
 - 1. has a retroactive date later than the Retroactive Date shown in this Endorsement;
or
 - 2. is not **claims-made insurance**.

*How Extended Reporting
Periods Apply*

Extended Reporting Periods:

- A. apply only to claims with respect to:
 - 1. injury or damage that did not occur; or

-
2. injury caused by an offense that was not first committed;
before the Retroactive Date shown in this Endorsement or after the end of the policy period of this insurance.
- B. do not extend the policy period or change the scope of coverage provided.
- C. may not be canceled once in effect.

Basic Extended Reporting Period

A Basic Extended Reporting Period is automatically provided. This period starts with the end of the policy period of this insurance and lasts for a period no longer than the applicable extended reporting period of the **underlying insurance**:

- for claims made with respect to injury or damage caused by an occurrence or offense reported to us, not later than sixty (60) days after the end of the policy period of this insurance, in accordance with paragraphs A. and B. of the condition titled Duties In the Event Of Occurrence, Offense, Claim Or Suit.
- yet no longer than sixty (60) days with respect to claims resulting from occurrences or offenses not previously reported to us.

Such claims will be deemed to have been made during the policy period of this insurance.

The Basic Extended Reporting Period does not apply to claims that are covered under any subsequent insurance you purchase, or that would be so covered, but for exhaustion of the amount of insurance otherwise applicable to such claims.

The Basic Extended Reporting Period does not reinstate or increase the Limits Of Insurance.

Supplemental Extended Reporting Period

A Supplemental Extended Reporting Period is available, but only by an endorsement and for an additional premium, subject to the following provisions.

- A. If purchased, this period starts at the later of the end of the policy period of this insurance or the end of the applicable Basic Extended Reporting Period of this insurance and lasts for a period no longer than the applicable extended reporting period of the **underlying insurance**. Claims first made during this Supplemental Extended Reporting Period will be deemed to have been made during the policy period of this insurance.
- B. You must give us a written request to purchase a Supplemental Extended Reporting Period within sixty (60) days after the end of the policy period. The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium promptly when due.
- C. If you comply with paragraph B. above, we will issue the Supplemental Extended Reporting Period Endorsement, and we will provide the separate aggregate limits of insurance described below, but only for claims first received and recorded during the Supplemental Extended Reporting Period. The separate aggregate Limits Of Insurance will be equal to the dollar amount shown in the Declarations in effect at the end of the policy period for the:
1. Excess Coverage Other Aggregate Limit;
 2. Umbrella Coverages Aggregate Limit;
 3. Products-Completed Operations Aggregate Limit; and
 4. Advertising Injury And Personal Injury Aggregate Limit.

The Excess Coverage Other Aggregate Limit, Umbrella Coverages Aggregate Limit, Products-Completed Operations Aggregate Limit and Advertising Injury And Personal Injury Aggregate Limit as shown in the Limits Of Insurance section will be amended accordingly. The Each Occurrence Limit described in the Declarations will continue to

Endorsement

Effective Date OCTOBER 1, 2025

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apply, as set forth in the Limits Of Insurance section.

- D. The separate aggregate limits of insurance described in paragraph C. above will not apply to any **loss**, claim, **suit** or other circumstance:
1. known by you before the beginning of the Supplemental Extended Reporting Period, that could reasonably be expected to result in any payment under this insurance; or
 2. reported, in whole or in part, to us or any other insurer before the beginning of the Supplemental Extended Reporting Period.
- A circumstance will be deemed known by you:
1. if such circumstances is known by, or should have been known from the standpoint of a reasonable person in the circumstances of:
 - a. you; or
 - b. any of your directors, managers, members, officers (or their designees) or partners (whether or not an employee); and
 2. when any person described in subparagraph 1. above:
 - a. reports all, or any part, of such circumstance to us or any other insurer;
 - b. receives a claim or demand for damages in connection with any such circumstance; or
 - c. becomes aware of any actual, alleged or threatened injury or damage in connection with such circumstance.
- E. We will determine the additional premium for the Supplemental Extended Reporting Period Endorsement by applying a percentage to the expiring annual premium. The additional premium will not exceed 200% of the annualized premium for this insurance. The additional premium will be deemed fully earned at the inception of the Supplemental Extended Reporting Period.
- F. The Supplemental Extended Reporting Period Endorsement will set forth the terms and conditions, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded under the Supplemental Extended Reporting Period is excess over any **underlying limits** and **other insurance**.

Under Coverages/Umbrella Coverage B Bodily Injury And Property Damage Liability Coverage, the following provision is added.

**Coverages/
Umbrella Coverage B
Bodily Injury And
Property Damage
Liability Coverage**

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would have applied but for a limitation in such coverage with respect to the timing of a triggering event; or
- B. any costs or expenses related to **loss** described in subparagraph A. above.

Under Coverages/Umbrella Coverage B Advertising Injury And Personal Injury Liability Coverage, the following provision is added.

**Coverages/
Umbrella Coverage B
Advertising Injury And
Personal Injury
Liability Coverage**

This coverage does not apply to any part of:

- A. **loss** to which **underlying insurance** would have applied but for a limitation in such coverage with respect to the timing of a triggering event; or
- B. any costs or expenses related to **loss** described in subparagraph A. above.

Under Policy Definitions, the following definition is added.

Policy Definitions

Claims-Made

Claims-made insurance means such insurance coverage, the triggering event of which is based on the timing of a claim first made during the policy period or any extended reporting period.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

In the Declarations, Premium is deleted and replaced by the following:

Declarations

<i>Premium –</i>	Premium	\$0
<i>Minimum Premium</i>	Minimum Premium	\$0

Under Conditions, the condition titled Cancellation is deleted and replaced by the following:

Conditions
Illinois Mandatory***Cancellation***

The first named **insured** may cancel this policy at any time by sending us a written request or by returning the policy stating the date of cancellation.

We may cancel this policy during the first 60 days of coverage by sending to the first named **insured** a notice of 30 days (10 days in the event of non-payment of premium) in advance of the cancellation date. We may cancel or non-renew this policy after the policy has been in effect for 61 days or more by sending to the first named **insured** a notice of 60 days (20 days in the event of non-payment of premium) in advance of the cancellation or non-renewal date. However, after the policy has been in effect for 60 days, it may be cancelled only for one of the following reasons:

- a. non-payment of premium;
- b. the policy was obtained through a material misrepresentation;
- c. the **insured** violated any of the terms and conditions of the policy;
- d. the risk originally accepted has measurably increased;
- e. certification to the Director of the loss or reinsurance by the insurer which provided coverage to the insurer for all or a substantial part of the underlying risk insured; or
- f. a determination by the Director that the continuation of the policy could place the insurer in violation of the law of Illinois.

Conditions
Illinois Mandatory

Cancellation
(continued)

Our notice will be mailed to the first named **insured**'s last known address and will indicate the date on which coverage is terminated.

Our notice of cancellation will not be less than 30 days (10 days in the event of non-payment of premium) if the policy is cancelled during the first 60 days of coverage or less than 60 days (20 days in the event of non-payment of premium) if the policy has been in effect for more than 60 days.

If cancellation is at the request of the first named **insured**, return premium will be computed at 90% of pro-rata. If we cancel, return premium will be computed pro-rata. If this policy insures more than one **insured**, cancellation may be effected by the first named **insured** for the account of all **insureds**. Notice of cancellation by us to such first named **insured** will be deemed notice to all **insureds**, and payment of any return premium to such first named **insured** will be for the account of all interests.

Subject to the Minimum Premium shown in the Declarations. Any unearned premium will be returned as soon as practicable. The minimum premium does not apply if we cancel the policy.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

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Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

***Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury***

Subsidence

This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** arising directly or indirectly out of, caused by, resulting from, contributing to or aggravated by:

- subsidence;
- settling;
- sinking;
- slipping;
- falling away;
- caving in;
- shifting;
- eroding;
- mudflow;
- rising;
- tilting; or

**Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury**

*Subsidence
(continued)*

- any other movement;
of land or earth.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. 2", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions***Construction Or
Development Or
Maintenance Or
Renovation***

This insurance does not apply to any liability or loss, cost or expense arising out of any **construction or development or maintenance or renovation**.

This exclusion applies regardless of:

A. whether such operations or work are or were performed or completed:

1. by you or on your behalf;
2. for you;
3. by or for others; or
4. for sale to others; and

B. when or where such operations or work are or were performed or completed.

With respect to Coverage/Excess Follow-Form Coverage A, this exclusion does not apply to **maintenance or renovations** operations.

Under Policy Definitions, the following definitions are added.

Policy Definitions***Construction Or
Development***

Construction or development means any:

- addition to any building or other structure;
- complete or partial construction or demolition or erection of any building or other structure; or
- planning, site preparation, surveying or other construction or development of real property.

Policy Definitions
(continued)

**Maintenance Or
Renovation**

Maintenance or renovation:

- A. means:
1. alteration or renovation operations; or
 2. maintenance or repair operations.
- B. does not include any structural alteration that involves changing the size of, or any demolishing or moving of any building or other structure.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
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Date Issued September 24, 2025

Under Coverage Crisis Assistance For Excess And Umbrella, Policy Definitions, **Crisis Assistance Service Provider** is amended to include the following firm(s).

Policy Definitions**Crisis Assistance
Service Provider**

A crisis management firm or, at the insured's discretion, another services provider with crisis management capabilities.

We do not provide or make any representations or warranties in connection with the services provided by the firm(s) listed above.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

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Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

SCHEDULE A

Limits Of Insurance

Crisis Assistance For Excess And Umbrella Aggregate Limit:

The lesser of:

- 3% of the Each Occurrence Limit shown in the Certificate Of Insurance; or
- \$300,000.

**Coverage/Crisis
Assistance For
Excess And Umbrella**

A section titled Coverage/Crisis Assistance For Excess And Umbrella is added to this contract.

Subject to all of the terms and conditions of this insurance, we will pay on behalf of the **insured crisis assistance expenses** up to the amount of the Crisis Assistance For Excess And Umbrella Aggregate Limit, shown in Schedule A, arising out of a **crisis event** that first commences during the policy period of this **insurance**.

A **crisis event** will be deemed to first commence at the time during the policy period of this insurance when you notify us in accordance with the Special Duties In The Event Of A Crisis Event provision of this Endorsement.

A **crisis event** will be deemed to end one hundred and eighty (180) days after the date of notice of the **crisis event** was given to us by you or when the Crisis Assistance For Excess And Umbrella Aggregate Limit shown in this Endorsement is exhausted, whichever occurs first.

Any payment of **crisis assistance expenses** that we make under the coverage provided by this Endorsement will not be an acknowledgement of coverage under this insurance.

Under Limits Of Insurance, the following provision is added.

Limits Of Insurance

Crisis Assistance For Excess And Umbrella Aggregate Limit

The Crisis Assistance For Excess And Umbrella Aggregate Limit shown in Schedule A is the most we will pay for **crisis assistance expenses**.

The Crisis Assistance For Excess And Umbrella Aggregate Limit:

- applies to the entire policy period shown in the **certificate of insurance** and not separately to any portion (whether annual or otherwise) thereof;
- will not be reinstated or increased; and
- will not reduce any other limits under this policy.

Under Conditions, the following conditions are added.

Conditions

Special Duties In the Event Of A Crisis Event

You must see to it that within twenty-four (24) hours of a **crisis event**:

- A. one of the **crisis assistance service providers** is notified by telephone; and
- B. we are notified. To the extent possible, notice should include:
 1. how, when and where the **crisis event** took place;
 2. the names and addresses of any injured persons and witnesses;
 3. the nature and location of any injury or damage arising out of the **crisis event**; and
 4. the reason why the event is likely to involve injury or damage covered by this policy and involve significant adverse regional or national media coverage.

Other Crisis Assistance Insurance

If you have **other insurance** that provides coverage for crisis assistance also covered by this insurance, then this insurance will be considered excess insurance over and above the amount payable by such **other insurance**.

Under Policy Definitions, the following definitions are added.

Policy Definitions

Crisis Assistance Expenses

Crisis assistance expenses means the following expenses incurred by the **insured** during a **crisis event** to which this insurance applies which are reasonable, necessary and directly attributable to that **crisis event**:

- expenses to secure the scene of a **crisis event**;
- fees charged by a crisis **assistance service provider** shown in Schedule B for professional service or advice;
- funeral or related service expenses;
- psychological or grief counseling expenses;
- temporary living expenses;

Endorsement

Effective Date OCTOBER 1, 2025

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Policy Definitions

*Crisis Assistance
Expenses
(continued)*

- travel expenses; and
- any other expenses approved by us.

*Crisis Assistance
Service provider*

Crisis assistance service provider means any firm:

- A. shown in Schedule B; or
- B. for which we, at our sole discretion, have provided written approval prior to the **crisis event** as evidenced in an endorsement to this policy, and which is hired by you.

We reserve the right to modify the list of firms shown in Schedule B without notice.

Crisis Event

Crisis event means an event that you reasonably believe has resulted, or may result, in:

- A. damages covered by this policy that are in excess of any applicable:
 - 1. **underlying limits** listed on the Schedule Of Underlying Limits;
 - 2. retained limits; and/or
 - 3. **other insurance**; and
- B. significant adverse regional or national media coverage.

Schedule B

Crisis Assistance Service Providers:

Any crisis management firm or, at your discretion, other services provider with crisis management capabilities.

Please note that you are responsible for identifying, selecting, hiring, and arranging for the services of, the firm(s) listed above. Chubb does not identify, select, hire or arrange for the services of, such firm(s) for you.

We do not provide or make any representations or warranties in connection with the services provided by the firm(s) listed above.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. S.", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions***Scheduled Diseases,
Except Included
Diseases***

This insurance does not apply to any liability or loss, cost or expense arising out of any:

- A. condition, disease or sickness shown in the Schedule Of Excluded Diseases, including any similar or other condition, disease, injury or sickness related thereto, by whatever name known;
- B. causative agent of any condition, disease, injury or sickness described in subparagraph A. above, regardless of whether such agent gives rise to any such condition, disease, injury or sickness or any other condition, disease, injury or sickness, by whatever name known; or
- C. actual or attempted counseling or testing for, or containing, detoxifying, mitigating, monitoring or neutralizing of, or responding to, or assessing the effects of any:
 - 1. condition, disease, injury or sickness described in subparagraphs A. or B. above, including any:
 - a. actual or attempted cure, diagnosis, prevention or treatment of any such condition, disease, injury or sickness;
 - b. actual or attempted cleaning up, disposing, handling or removing of any such causative agent; or
 - c. failure to perform any of the foregoing.
 - 2. causative agent described in subparagraphs A. or B. above, including any:
 - a. actual or attempted cure, diagnosis, prevention or treatment of any such condition, disease, injury or sickness;
 - b. actual or attempted cleaning up, disposing, handling or removing of any such causative agent; or
 - c. failure to perform any of the foregoing.

Subparagraphs A., B., C.1.a and C.2.a. above do not apply to a condition, disease or sickness described in the Schedule Of Included Diseases.

Under Policy Definitions, the following definitions are added.

Policy Definitions

Human Clinical Trial Contractor

Human clinical trial contractor means a person or organization engaged to provide service, advice or instruction in connection with:

- A. 1. clinical;
 2. laboratory; or
 3. research;

testing activities, within the scope of and in accordance with the applicable written protocol; or

- B. the planning, monitoring or review;

of a **human clinical trial**.

Life Science Product Service Contractor

Life science product service contractor means a person or organization engaged to provide **life science product service**, other than in connection with a **human clinical trial**.

Life Science Product Service

Life science product service means:

- clinical;
- design or development review;
- laboratory; or
- research;

service, advice or instruction in connection with a **life science product**.

Schedule Of Excluded Diseases

Any communicable or Infectious diseases

Schedule Of Included Diseases

If this schedule is not filled in, then no exception to the exclusion will apply.

Endorsement

Effective Date OCTOBER 1, 2025

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All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. 2", written over a horizontal line.

Endorsement

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Insured COMMUNITY ASSOCIATIONS PG, INC.

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Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

***Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury***

***Abuse Or Molestation -
Actual, Alleged Or
Threatened***

This insurance does not apply to **bodily injury, property damage, advertising injury, or personal injury** arising out of any:

- A. actual, alleged or threatened abuse or molestation by anyone of any person; or
- B. 1. employment, investigation, retention or supervision; or
2. reporting to or failure to report to the proper authorities;
- of any person for whom any **insured** is or ever was legally responsible and whose conduct would be excluded by subparagraph A. above.

All other terms and conditions remain unchanged.

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added:

***Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/
Advertising Injury/
Personal Injury***

Assault Or Battery

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of, giving rise to or in any way related to any:

- A. actual, alleged or threatened **assault or battery** by anyone of any person;
- B. act, error or omission in connection with the prevention or suppression of such **assault or battery**;
- C. employment, investigation, retention or supervision of any person for whom any **insured** is or ever was legally responsible and whose conduct would be excluded by subparagraphs A. or B. above; or
- D. reporting to or failure to report to the proper authorities any person in connection with any conduct described in subparagraphs A., B. or C. above.

Under Definitions/Umbrella Coverage B, the following definitions are added:

***Definitions/
Umbrella Coverage B***

Assault

Assault means an intentional placing of another person in fear of imminent harmful or offensive physical contact.

**Definitions/
Umbrella Coverage B**
(continued)

Battery

Battery means an intentional wrongful physical contact with another person without such person's consent.

All other terms and conditions remain unchanged.

Authorized Representative
September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. 2", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions

War

This insurance does not apply to any liability or loss, cost or expense arising, directly or indirectly, out of:

- war, including undeclared or civil war;
- warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of the foregoing.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

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Date Issued September 24, 2025

Under Policy Exclusions, the following exclusion is added.

Policy Exclusions***Violation Of Laws
Addressing Data Privacy***

This insurance does not apply to any liability or loss, cost or expense arising out of any actual, alleged or threatened violation of:

- A. the Illinois Biometric Information Privacy Act (BIPA), including any amendment of or addition to such law;
- B. the California Consumer Privacy Act (CCPA), including any amendment of or addition to such law;
- C. the Children's Online Privacy Protection Act (COPPA), including any amendment of or addition to such law;
- D. any federal, state or local statute, ordinance, regulation or law other than subparagraphs A., B. or C. above that addresses, prohibits, or limits access to, use of or the printing, dissemination, disposal, obtaining, collecting, storing, safeguarding, recording, retention, sending, transmitting, communicating, sharing, selling or distribution of any person's or organization's:
 - 1. personal material or information;
 - 2. financial material or information;
 - 3. credit card information;
 - 4. health or medical material or information;
 - 5. **biometric material or information;** or
 - 6. other material or information subject to protection under any law addressing data privacy or protection; or

Policy Exclusions

Violation Of Laws Addressing Data Privacy (continued)

- E. the European Union's General Data Protection Regulation or any law of a jurisdiction other than the United States of America (including its territories and possessions) or Puerto Rico that is similar to any statute, ordinance, regulation or other law described in subparagraphs A., B., C. or D. above.

Under Policy Definitions, the following definition is added.

Policy Definitions

Biometric Material Or Information

Biometric material or information:

- A. means any information, anatomical scan, biological measurements, chemical measurements, chemical composition, physical or behavioral characteristic or pattern, or any other data, used to identify or authenticate an individual person or household identity.
- B. includes any identifiers such as a retina or iris scan, fingerprint, voiceprint, hand or face geometry, or any other anatomical, biological, chemical, physical or behavioral information, algorithm or measurement.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

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Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

***Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury***

Cyber Incident

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of a **cyber incident**.

This exclusion applies regardless of whether damages are claimed for any fines, penalties, costs, assessments, rewards, payments or expenses, including for notification, crypto-jacking, credit or identity monitoring, forensics, experts, media or public relations, data recovery or restoration, reputational harm, network recovery or restoration, business interruption, customer attrition, theft, extortion, breach of contract or agreement, or any damages, loss, cost or expense similar to any of the foregoing paid or incurred by or on behalf of any **insured** or others arising out of a **cyber incident**.

Under Definitions/Umbrella Coverage B, the following definitions are added.

***Definitions/Umbrella
Coverage B***

Computer System

Computer system:

A. means any:

1. computer hardware, software or firmware;
2. electronic device, electronic data storage device or electronic data backup facility;
3. telecommunications system or device, mobile phone, tablet or networking device;
 or
4. Industrial Control System or any components thereof.

**Definitions/Umbrella
Coverage B**

**Computer System
(continued)**

- B. includes any:
1. blockchain technology;
 2. associated input or output devices;
 3. network storage equipment or storage area network including:
 - a. those that have the capability to be linked together through the internet or an internal network; or
 - b. those that are connected through data storage or other devices; or
 4. data;
- in connection with that which is described in paragraph A. above.

Cyber Incident

Cyber incident means any:

- A. unauthorized access to or use of any **computer system**;
- B. malicious code, virus or any other harmful code that is directed at, enacted upon or introduced into any **computer system** and is designed to access, alter, corrupt, damage, delete, destroy, disrupt, encrypt, exploit, use or prevent or restrict access to or the use of any part of any **computer system** or otherwise disrupt such **computer system**'s normal functioning or operation; or
- C. denial of service attack which disrupts, prevents or restricts access to or use of any **computer system**, or otherwise disrupts such **computer system**'s normal functioning or operation.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

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Under Conditions, the following condition is added:

Conditions

Additional Benefits

We may offer or provide or allow others to offer or provide you or any other **insured** under this policy with:

- goods, products and services;
- access to discounted goods, products and services; and
- other program benefits or other items of value that could assist your business with managing risk, servicing your policy or staying informed about loss control and mitigation of risk.

These additional benefits may be provided in any form. You or another **insured** under this policy may be eligible to receive additional benefits. You are under no obligation to pursue any of these additional benefits.

While we may arrange for these additional benefits, the provider is liable to you or any other **insured** for the provision of the goods, products and services. We do not warrant the merchantability, fitness or quality of any goods, products or services provided or assume any additional obligation related to any additional benefits provided.

We have the right to modify or discontinue any additional benefits provided by us, or other providers authorized by us, without notice to you or any other **insured**.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

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Under Policy Exclusions, the following exclusion is added:

Policy Exclusions***Recording And
Distribution Of Material Or
Information In Violation Of
Law***

This insurance does not apply to any liability or loss, cost or expense arising out of any actual, alleged or threatened violation of:

- the United States of America CAN-SPAM Act of 2003 (or any law amendatory thereof) or any similar regulatory or statutory law in any other jurisdiction;
- the United States of America Telephone Consumer Protection Act (TCPA) of 1991 (or any law amendatory thereof) or any similar regulatory or statutory law in any other jurisdiction;
- the United States of America Fair Credit Reporting Act (FCRA) (or any law amendatory thereof including the Fair and Accurate Credit Transactions Act (FACTA)) or any similar regulatory or statutory law in any other jurisdiction; or
- any other regulatory or statutory law in any jurisdiction that addresses, limits or prohibits the collecting, communicating, disposal, dissemination, distribution, monitoring, printing, publication, recording, sending or transmitting of content, information or material.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

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Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

Under Exclusions/Excess Follow-Form Coverage A, the following exclusion is added.

**Exclusions/Excess
Follow-Form
Coverage A****Access To Or Disclosure
Of Confidential Or
Personal Material Or
Information And
Electronic Data-Related
Liability With Exceptions**

This insurance does not apply to any liability or loss, cost or expense arising out of:

- A. any access to, collection of, release of, or disclosure of, any person's or organization's confidential or personal material or information, including any:
1. patents;
 2. trade secrets;
 3. processing methods;
 4. customer lists;
 5. financial material or information;
 6. credit card information;
 7. health or medical material or information;
 8. **biometric material or information;** or
 9. other type of non-public material or information; or
- B. any loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in paragraph A. or B. above.

**Exclusions/Excess
Follow-Form
Coverage A**

*Access To Or Disclosure
Of Confidential Or
Personal Material Or
Information And
Electronic Data-Related
Liability With Exceptions
(continued)*

This exclusion does not apply to:

- A. physical:
 - 1. injury;
 - 2. sickness; or
 - 3. disease;sustained by a person, including resulting death, humiliation, mental anguish, mental injury or shock at any time. All such loss shall be deemed to occur at the time of the physical injury, sickness or disease that caused it.
- B. physical injury to tangible property, including resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it.

Tangible property does not include any software, data or other information that is in electronic form.

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

**Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury**

*Access To Or Disclosure
Of Confidential Or
Personal Material Or
Information And
Electronic Data-Related
Liability*

This insurance does not apply to **bodily injury, property damage, advertising injury or personal injury** arising out of:

- A. any access to, collection of, release of, or disclosure of, any person's or organization's confidential or personal material or information, including any:
 - 1. patents;
 - 2. trade secrets;
 - 3. processing methods;
 - 4. customer lists;
 - 5. financial material or information;
 - 6. credit card information;
 - 7. health or medical material or information;
 - 8. **biometric material or information**; or
 - 9. other type of non-public material or information; or
- B. any loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

Endorsement

Effective Date OCTOBER 1, 2025

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**Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury****Access To Or Disclosure
Of Confidential Or
Personal Material Or
Information And
Electronic Data-Related
Liability
(continued)**

This exclusion applies even if damages are claimed for notification costs, credit or identity monitoring expenses, forensic expenses, public relations expenses, data restoration expenses, extortion expenses or any other loss, cost or expense incurred by you or others arising out of that which is described in paragraph A. or B. above.

Under Policy Definitions, the following definition is added.

Policy Definitions**Biometric Material Or
Information****Biometric material or information:**

- A. means any information, anatomical scan, biological measurements, chemical measurements, chemical composition, physical or behavioral characteristic or pattern, or any other data, used to identify or authenticate an individual person or household identity.
- B. includes any identifiers such as a retina or iris scan, fingerprint, voiceprint, hand or face geometry, or any other anatomical, biological, chemical, physical or behavioral information, algorithm or measurement.

All other terms and conditions remain unchanged.

Authorized Representative

Date September 24, 2025



Endorsement

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**ANIMALS EXCLUSION
(MS 283308)**

*Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury*

Animals

Under Exclusions/ Umbrella Coverage B/ Bodily Injury/ Property Damage/ Advertising Injury/Personal Injury, the following exclusion is added.

This insurance does not apply to **bodily injury, property damage, personal injury or advertising injury** arising out of, caused by, or any way involving an animal, regardless of whether owned by you, in your care, or on your premises.

This exclusion applies even if the claims against any **insured** allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the occurrence which caused the **bodily injury or property damage**, or the offense which caused the **personal injury or advertising injury**, in any way involved animals.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

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**BIOLOGICAL AGENTS
ABSOLUTE (07-02-
1692)***Policy Exclusions*

Under Policy Exclusions, the following exclusion is added:

Biological Agents

A. This insurance does not apply to any liability or loss, cost or expense arising out of the actual, alleged, or threatened contaminative, pathogenic, toxic or other hazardous properties of biological agents.

B. This insurance does not apply to any loss, cost or expense arising out of any:

1. request, demand, order or regulatory or statutory requirement that any insured or others test for, monitor, clean up, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of any biological agents; or

2. claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of any biological agents.

Policy Definitions

Under Policy Definitions, the following definition is added:

Biological Agents

Biological Agents means any:

A. 1. Bacteria;
2. mildew, mold or other fungi;
3. other microorganisms; or
4. mycotoxins, spores or other by-products of any of the foregoing;

B. Viruses or other pathogens (whether or not a microorganism); or

C. Colony or group of any of the foregoing.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. Q.", written over a horizontal line.

CHUBB® Chubb Commercial Excess And Umbrella Insurance

Endorsement

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CARE, CUSTODY OR CONTROL GARAGE KEEPERS LEGAL LIABILITY

Under Policy Exclusions, the following exclusion is added:

Care, Control or Custody

Policy Exclusions

Care, Control or Custody

This insurance does not apply to damage to real or personal property of others if the property is in the care, control or custody of the **insured**.

This exclusion does not apply under Excess Follow-Form Coverage A to physical damage to an auto left in the **insured** care for attendance, repair, service, storage or parking if Garage Keeper Legal Liability is shown on the Schedule of Underlying Insurance.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

<i>Policy Period</i>	OCTOBER 1, 2025 To OCTOBER 1, 2027
<i>Effective Date</i>	OCTOBER 1, 2025
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<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	September 24, 2025

**COVERAGE B
EXCLUSION -
HABITABILITY
(MS394231)**

*Exclusions/ Umbrella
Coverage B Bodily
Injury/ Property Damage/
Advertising Injury/
Personal Injury*

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added:

Habitability

This insurance does not apply to any bodily injury, property damage, advertising injury or personal injury arising, in whole or in part, out of or resulting from the alleged or actual:

1. violations of any law involving any failure to maintain any room, dwelling or premises in a habitable or tenantable condition, including but not limited to any violation of any of the following:
 - a. any civil code or other statutory provision;
 - b. any health and safety code;
 - c. any Housing and Urban Development laws, ordinances or statutes or other local ordinance, regulation or code;
 - d. any rent stabilization laws, measures, ordinances or statutes;
 - e. any federal, state or local Section 8 (government subsidized housing) program;
 - f. Americans with Disabilities Act; or
 - g. any administrative rules, regulations, ordinances, codes, or orders pertaining to any of the foregoing, including but not limited to those promulgated by local municipalities;
2. breach of any lease, rental agreement, contract, warranty, or covenant, whether written, oral or implied, involving any failure to maintain any room, dwelling or premises in a habitable or tenantable condition;
3. failure to respond to or comply with any federal, state, municipal or local order or directive to correct conditions at or near the property in violation of any federal, state, municipal or local statute, ordinance, rule, order, or regulation; or

4. wrongful eviction from, wrongful entry into, or invasion of private right of occupancy of any room, dwelling or premises, either actual or constructive, arising, in whole or in part, out of subparagraphs 1., 2. or 3. above.

This exclusion applies:

- whether the insured may be liable as an owner, landlord, tenant, operator or property manager, or in any other capacity;
- to any claims, proceedings, or suits that also contain any allegations described in subparagraphs 1. through 4. above;
- to any obligation to share damages with, indemnify or repay someone else who must pay damages because of property damage or injury arising from any matter to which this exclusion applies; or
- to claims against any insured alleging negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured.

We shall have no duty to defend any claims, proceedings, or suits in any way arising, in whole or in part, from allegations pertaining to this exclusion.

We shall have no duty to pay any attorneys' fees or costs for which any insured is liable in connection with any matter to which this exclusion applies.

Notwithstanding the above, subparagraph 1.e. shall not apply in connection with any premises located in New York.

*Definitions/ Umbrella
Coverage B*

*Habitable or Tenantable
Condition*

Under Definitions/Umbrella Coverage B, the following definition is added.

Habitable or tenantable condition means that a room, dwelling, or premises is designed, constructed, owned, controlled, managed, operated or maintained by any person or organization in such a manner as to allow occupants access, use, or enjoyment of any such room, dwelling, or premises, including with respect to health, safety and sanitation.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

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**COVERAGE B
EXCLUSION –
WEAPONS
(MS402089.2)**

*Exclusions/
Umbrella Coverage B
Bodily Injury/
Property Damage/
Advertising Injury/
Personal Injury*

Weapons

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** arising out of or in any way related to any:

- A. actual, alleged or threatened use of a **weapon** by any person(s) or organization(s);
- B. act, error or omission in connection with the prevention, suppression, mitigation or control of any person(s) or organization(s) whose conduct would be excluded by paragraph A. above;
- C. employment, investigation, retention, training or supervision of any person for whom any insured is or ever was legally responsible and whose conduct would be excluded by paragraphs A. or B. above;
- D. reporting to, delay in reporting to or failure to report to the proper authorities any person in connection with any conduct described in paragraphs A., B. or C. above; or
- E. failure to provide safe premises with respect to or in connection with any conduct described in A. or B. above.

This exclusion does not apply to **bodily injury** or **property damage** resulting from the **insured's** use of reasonable force to protect persons or property.

Solely with respect to **property damage**, this exclusion will not apply to deny payment to an innocent co-insured who did not cooperate in or contribute to the creation of the **property damage**, if:

- 1. the **property damage** arose out of a pattern of criminal domestic violence; and
- 2. the perpetrator of the **property damage** is criminally prosecuted for the act causing the **property damage**.

*Definitions/
Umbrella Coverage B*

Weapon(s)

Under Definitions/Umbrella Coverage B, the following definition is added.

Weapon(s) means any:

- firearm, knife or hand-held implement;
- explosive or incendiary device; or
- object(s) if listed or described in the Schedule.

Schedule

Object(s):

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

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**UMBRELLA
COVERAGE B –
UNDERLYING
INSURANCE
RESTRICTION
(MS400731)**

**Coverages/
Umbrella Coverage B**

***Bodily Injury And Property
Damage Liability Coverage***

Under Coverages/Umbrella Coverage B, the Bodily Injury And Property Damage Liability Coverage section is deleted and replaced with the following.

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured**, **loss** by reason of liability:

- imposed by law; or
- assumed in an **insured contract**;

for **bodily injury** or **property damage** caused by an **occurrence** to which this coverage applies.

This coverage applies only to such **bodily injury** or **property damage** that occurs during the policy period.

Damages for **bodily injury** include damages claimed by a person or organization for care or loss of services resulting at any time from the **bodily injury**.

This coverage does not apply to any part of:

A. **loss** to which **underlying insurance** would apply, regardless of whether or not:

1. **underlying insurance** is available; and
2. the applicable **underlying limits** have been exhausted;

B. **loss** to which **underlying limits** apply;

C. **loss** to which **underlying insurance** would have applied, but for the attachment of an endorsement, either at policy inception or during the policy period, which restricts or excludes coverage; or

D. any costs or expenses related to **loss** as described in paragraphs A., B. or C. above.

We have no obligation under this insurance with respect to any claim or **suit** settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage

**Coverages/
Umbrella Coverage B**

Under Coverages/Umbrella Coverage B, the Advertising Injury And Personal Injury Liability Coverage section is deleted and replaced with the following.

*Advertising Injury And
Personal Injury Liability
Coverage*

Subject to all of the terms and conditions applicable to Umbrella Coverage B, we will pay, on behalf of the **insured, loss** because of liability:

- imposed by law; or
- assumed in an **insured contract**;

for **advertising injury** or **personal injury** to which this coverage applies.

This coverage applies only to such **advertising injury** or **personal injury** caused by an offense that is first committed during the policy period.

This coverage does not apply to any part of:

A. **loss** to which **underlying insurance** would apply, regardless of whether or not:

1. **underlying insurance** is available; and
2. the applicable **underlying limits** have been exhausted;

B. **loss** to which **underlying limits** apply;

C. **loss** to which **underlying insurance** would have applied, but for the attachment of an endorsement, either at policy inception or during the policy period, which restricts or excludes coverage; or

D. any costs or expenses related to **loss** as described in paragraphs A., B. or C. above.

We have no obligation under this insurance with respect to any claim or suit settled without our consent.

Other than as provided under the Investigation, Defense And Settlements and Supplementary Payments sections of this contract, we have no other obligation or liability to pay sums or perform acts or services under this coverage

Endorsement

Effective Date OCTOBER 1, 2025

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All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



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**CROSS SUITS (MS
283309)**

*Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury*

Cross Suits

Under Exclusions/Umbrella Coverage B Bodily Injury/Property Damage/Advertising Injury/Personal Injury, the following exclusion is added.

This insurance does not apply to **bodily injury, property damage, advertising injury** or **personal injury** arising out of a claim or suit by one insured against another insured.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

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**PUNITIVE EXCLUSION
(MS 214660)****Exclusions/Umbrella
Coverage B Bodily
Injury/Property
Damage/Advertising
Injury/Personal Injury**

Under Exclusions/Umbrella Coverage B/ Bodily Injury/ Property Damage/ Advertising Injury/Personal Injury, the following exclusion is added.

Punitive Damages

This insurance does not apply to any punitive or exemplary damages, fines, or Penalties.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

<i>Policy Period</i>	OCTOBER 1, 2025 To OCTOBER 1, 2027
<i>Effective Date</i>	OCTOBER 1, 2025
<i>Policy Number</i>	7997-83-84
<i>Insured</i>	COMMUNITY ASSOCIATIONS PG, INC.
<i>Name of Company</i>	FEDERAL INSURANCE COMPANY
<i>Date Issued</i>	September 24, 2025

**RISK PURCHASING
GROUPS PROGRAM
MANAGER FOR
MCGOWAN (MS
330910)****SCHEDULE**

*Coverage/Excess
Follow-Form
Coverage B*

Number Of Days Notice Of Cancellation: 120

*Coverage/Umbrella
Coverage B*

Under Coverage/Excess Follow-Form Coverage A and Coverage/Umbrella Coverage B, the following is added:

Certificates Of Coverage

Coverage/Excess Follow-Form Coverage A and Coverage/Umbrella Coverage B only apply to liability arising out of the operation(s) of the location(s) added or deleted on the Schedule of Locations of an individual Certificate of Coverage issued by the risk purchasing group shown in the Declarations as the first named insured during the policy period.

Under Who Is An Insured/Umbrella Coverage B, Subsidiary Or Newly Acquired Or Formed Organizations is deleted and replaced by the following:

*Who Is An
Insured/Umbrella
Coverage B*

If there is no other insurance available, the following organizations will qualify as named insureds:

*Subsidiary Or Newly
Acquired Or Formed
Organizations*

- a subsidiary organization of a named insured listed on a Certificate of Coverage of which, at the beginning of the policy period and at the time of loss, such named insured controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization; or

- a subsidiary organization of a named insured listed on a Certificate of Coverage that such named insured acquires or forms during the policy period, if at the time of loss, such named insured controls, either directly or indirectly, more than fifty (50) percent of the interests entitled to vote generally in the election of the governing body of such organization.

<i>Who Is An Insured/Excess Follow-Form Coverage A</i> <i>Who Is An Insured/Umbrella Coverage B</i> <i>Risk Purchasing Group Members</i>	Under Who Is An Insured/Excess Follow-Form Coverage A and Who Is An Insured/Umbrella Coverage B, the following is added: It is hereby agreed that those entities or group of related entities designated as members of the risk purchasing group that is the first named insured in this policy on the individual member's Certificate of Coverage are included as named insureds under this policy. Coverage/Excess Follow-Form Coverage A and Coverage/Umbrella Coverage B only apply to liability arising out of the operation(s) at the specified locations scheduled on the individual member's Certificate of Coverage, but only as respects: · the specific named insureds listed on that Certificate of Coverage and designated as the owner(s), manager(s), or lessee(s) of those specified locations; and · the coverages shown on that Certificate of Coverage, subject to the terms and conditions of this insurance.
<i>Limits Of Insurance</i>	Under Limits Of Insurance, and with respect to individual certificate holders only, the second and third paragraphs are deleted and replaced by the following: The aggregate limits apply separately to each consecutive annual period and to any remaining period of less than twelve (12) months (starting with the beginning of the time period specified in an individual Certificate of Coverage), provided the applicable aggregate limits in underlying insurance apply in such manner. If the aggregate limits in underlying insurance do not so apply, the applicable aggregate limits of this insurance will apply to the entire policy period and not separately to any portion (whether annual or otherwise) thereof. The Limits Of Insurance shown in an individual Certificate of Coverage apply separately to the time period specified in such individual Certificate of Coverage. The only Limits Of Insurance available to a member of the Risk Purchasing Group are the Limits Of Insurance shown in the individual certificate of insurance. If the time period specified in an individual Certificate of Coverage is extended after issuance, the additional period will be deemed part of the last preceding period for purposes of determining the Limits Of Insurance.
<i>Conditions</i> <i>Cancellation</i>	Under Conditions, Cancellation and Separation Of Insureds are deleted and replaced by the following: The first named insured may cancel this policy or any of its individual coverages at any time by sending us a written request or by returning the policy and stating when thereafter cancellation is to take effect. We may cancel this policy or any of its individual coverages at any time by sending to the first named insured a notice: · sixty (60) days, unless a greater number of days is shown in the Schedule above; or · twenty (20) days in the event of non-payment of premium, in advance of the cancellation date. Our notice of cancellation will be mailed to the first named insured's last known address and will indicate the date on which coverage is terminated. If notice of cancellation is mailed, proof of mailing will be sufficient proof of notice. Notice to individual members of the risk purchasing group shall be provided in

Endorsement

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

accordance with the laws of the member's state of domicile as shown in the Certificates of Coverage.

Unless prevented by law, this Cancellation condition limits our right to cancel this insurance. In addition, if other cancellation provisions contained in this policy, including any endorsements attached to it, further restrict our right to cancel, such more restrictive provisions will supersede any conflicting provisions of this condition.

The earned premium will be computed on a pro rata basis. Any unearned premium will be returned as soon as practicable.

Conditions

Separation Of Insureds

Except with respect to any rights or duties specifically assigned in this insurance to the first named insured, this insurance applies as if all named insureds listed on each individual member's Certificate of Coverage submitted during the policy period were the only named insureds under the policy.

However, regarding the Limits of Insurance afforded by this policy, separate Limits of Insurance shown in each individual member's Certificate of Coverage:

- apply to all the named insureds listed on such Certificate of Coverage; and
- are the most we will pay regardless of the number of named insureds listed on such Certificate of Coverage.

Under Conditions, the following is added:

Conditions

Coverage Term

It is agreed that those named insureds listed in an individual Certificate of Coverage issued by the risk purchasing group during the policy period are provided coverage for the time period specified in such Certificate of Coverage, not to exceed 18 months.

All additions and deletions made for a named insured will be subject to the expiration date designated in the Individual Certificate of Coverage for that named insured.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

**SUBLIMITED PRIMARY
COVERAGE
EXCLUSION
(MS403806)**

Policy Exclusions

Under Policy Exclusions, the following exclusion is added.

*Sub-Limited
Coverages*

This insurance does not apply to any liability or loss, cost or expense arising out of any coverage for which a **sub-limit** applies or is imposed under or by any **underlying insurance**.

Notwithstanding anything to the contrary contained in this policy, the provision titled When Excess Follow Form Coverage A Applies (Drop Down) does not apply to any coverage for which a **sub-limit** applies or is imposed under or by **any underlying insurance**.

As used in this exclusion, **sub-limit** means any limit of insurance applicable to a specific hazard, peril, cause of injury or damage, or category of **loss in underlying insurance** which is less than the amount of the Limit of Insurance applicable in general to such hazard, peril, cause of injury or damage, or category of loss.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



CHUBB® *Chubb Commercial Excess And Umbrella Insurance*

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
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DECLARATIONS (MS 288848)

Declarations

The following provision is added to the Declarations:

It is hereby agreed and understood that the policy number for this policy is G23539226-001 for processing purposes, and the policy number shown on the Declarations and Endorsements, 7997-83-84, is the Chubb Reference Number.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027
Effective Date OCTOBER 1, 2025
Policy Number 7997-83-84
Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
Date Issued September 24, 2025

**EMPLOYMENT
RELATED PRACTICES
AMENDED**

The Employment – Related Practices exclusion is deleted and replaced by the following:

Employment-Related Practices

A. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by any person, whether or not sustained in the course of employment by any insured arising out of any employment related act, omission, policy, practice or representative directed at such person, occurring in whole or part at any time, including any:

1. arrest, detention or imprisonment;
2. breach of any express or implied covenant;
3. coercion, criticism, humiliation, prosecution or retaliation;
4. defamation or disparagement;
5. demotion. Discipline, evaluation or reassignment;
6. discrimination, harassment or segregation;
7. a. eviction; or
b. invasion or other violation of any right of occupancy;
8. failure or refusal to advance, compensate, employ or promote;
9. invasion or other violation of any right of privacy or publicity;
10. termination of employment; or
11. other employment – related act, omission, policy, practice, representation or relationship in connection with any insured at any time.

B. This insurance does not apply to any liability or loss, cost or expense in connection with any damages sustained at any time by the brother, child, parent, sister or spouse of such person at whom any employment-related act, omission, policy, practice or representation is directed, as described in paragraph A. above, as a consequence thereof.

This exclusion does not apply to Excess Follow-Form Coverage A to the extent that insurance is provided under a Directors & Officers Liability Policy shown in the Schedule of Underlying Insurance, except;

This exclusion applies;

- whether the insured may be liable as an employer or in any other capacity;
- and
- to any obligation to share damages with or repay someone else who must pay damages because of any foregoing.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025

A handwritten signature in black ink, appearing to be "P. M. 2", written over a horizontal line.

Endorsement

Policy Period OCTOBER 1, 2025 To OCTOBER 1, 2027

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY

Date Issued September 24, 2025

**POLLUTION
EXCLUSION AMENDED
COV A (MS 263848)**

*Exclusions/Excess
Follow-Form
Coverage A
Pollution*

This Endorsement applies to the following forms:

Under Exclusions/Excess Follow-Form Coverage A, the Pollution exclusion is amended by adding the following:

Paragraph D. does not apply to a **covered pollution** cost or **expense** to which Coverage A applies.

This exclusion does not apply to:

1. MOBILE EQUIPMENT FULES - Bodily injury or property damage arising out of the escape of fuels, lubricants, or other operating fluids, which are needed to perform the normal electrical, hydraulic, or mechanical functions necessary for the operation of mobile equipment or its parts, if such fuels, lubricants or other operating fluids escape from a vehicle part designed to hold, store or receive them.

However, this exception does apply if:

a. The fuels, lubricants or other operating fluids are intentionally discharged, dispersed or released; or

b. Such fuels, lubricants or other operating fluids are brought on or to the premises, site or location with the intent that they be discharged or released as part of the operations being performed by such insured, contractor or subcontractor

2. AUTO FUELS - Fuels, lubricants, fluids, exhaust gasses or other similar **pollutants** that are needed for or result from the normal electrical, hydraulic or mechanical functioning of any auto or its parts, covered **by underlying insurance** if the pollutants escape, seep, migrate, or are discharged, dispersed or released directly from an auto part designed by its manufacturer to hold, store, receive or dispose of such **pollutants**, and the bodily injury, **property damage** or **covered pollution cost or expense** does not arise out. of the operation of cherry pickers or similar devices mounted on vehicle

chassis or aircompressors, pumps and generators.

3. AUTO UPSET/OVERTURN/DAMAGE - Occurrences that occur away from premises owned by or rented to any insured with respect to pollutants not in or upon any auto covered by underlying insurance if:

1. The **pollutants** or any property in which the pollutants are contained are upset, overturned or damaged as a result of the maintenance or use of any auto covered by **underlying insurance**; and
2. The discharge, dispersal, seepage, migration, release or escape of the pollutants is caused directly by such upset, overturn or damage.

4. PRODUCTS/COMPLETED OPERATIONS - Bodily injury or property damage included within the products-completed operations hazard provided that your product or your work has not at any time been:

- a. Discarded, dumped, abandoned, thrown away; or
- b. Treated or handled as waste; by anyone.

5. PESTICIDE OR HERBICIDE APPLICATOR - With respect to pesticide or herbicide application by any insured, if the operations meet all standards of any statute, ordinance, regulation or license requirement of any federal, state or local government which apply to those

6. CONTRACTORS – Bodily injury or property damage for which you may be held liable if:

- a. You are a contractor; or
- b. The owner or lessee of such premises, site or location has been added to this policy as an additional **insured** with respect to your ongoing operations performed for that additional **insured** at that premises, site or location; and
- c. Such premises, site or location is not and never was owned or occupied by, or rented or loaned to, any **insured**, other than the owner or lessee of that premises who has been added to the policy as an additional insured.

7. BODILY INJURY directly caused by any of the below that occur within a building or upon a premises any **insured** owns, rents, occupies or manages:

- a. Chlorine, bromine, sodium hydroxide, sodium, bicarbonate, soda ash, diatomaceous earth, muriatic acid or other chemicals, compounds or materials used for the maintenance of a swimming pool, whirlpool or spa.

As used in this endorsement, a **covered pollution cost or expense** means any cost or expense arising out of any:

1. Request, demand, order or statutory or regulatory requirement; or
2. Claim or suit by or on behalf of a governmental authority, demanding that Insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of pollutants. With respect to the insurance afforded under this endorsement, the definition of loss is amended to include a **covered pollution cost or expense**.

Endorsement

Effective Date OCTOBER 1, 2025

Policy Number 7997-83-84

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



CHUBB® Chubb Commercial Excess And Umbrella Insurance

Endorsement

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Insured COMMUNITY ASSOCIATIONS PG, INC.

Name of Company FEDERAL INSURANCE COMPANY
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PRIMARY NON CONTRIBUTORY (MS 263865)

Conditions

Other Insurance

Under Conditions, the following provision is added to the condition titled Other Insurance:

Notwithstanding anything to the contrary above, at your option, this policy will apply before **other insurance**, when you have agreed in a written **insured contract** prior to the time of an occurrence that such insurance as is afforded by this policy will apply in that manner, provided the applicable **underlying insurance** also applies before **other insurance**.

Insured contract as used herein means a written contract or agreement pertaining to your business, in which you assume the tort liability of another person or organization to pay damages, to which this insurance applies, sustained by a third person or organization, provided the injury or damage occurs, or is caused by an occurrence that first occurs after the execution of such contract or agreement.

All other terms and conditions remain unchanged

Authorized Representative

September 24, 2025



A.M. Best Rated A++

This Policy is issued by the stock insurance company listed above ("Insurer").

THIS POLICY COVERS ONLY CLAIMS FIRST MADE AGAINST THE INSURED DURING THE POLICY PERIOD OR IF ELECTED, THE EXTENDED REPORTING PERIOD AND REPORTED TO THE INSURER PURSUANT TO THE TERMS OF THE POLICY. AMOUNTS INCURRED FOR COSTS, CHARGES AND EXPENSES AND LOSS SHALL BE APPLIED AGAINST THE RETENTION AMOUNTS. PLEASE READ THIS POLICY CAREFULLY.

TERMS THAT APPEAR IN BOLD FACE TYPE HAVE SPECIAL MEANING. PLEASE REFER TO THE DEFINITIONS SECTION OF THIS POLICY.

Policy Number: ADOIDF160246122-006

Renewal of: ADOIDF160246122-005

Item A. **Parent Company & Principal Address:**

Val D'Sol Homeowners Association Inc
204 Sun Valley Road
Sun Valley, ID 83353

Item B.

Policy Period: From **02-09-2026** to **02-09-2027**

12:01 a.m. local time at the Principal Address shown in Item A.

Item C.

Coverage Section(s):

INSURED PERSONS AND ORGANIZATION

1. Limit of Liability:

\$1,000,000 for each **Loss** (other than **Costs, Charges and Expenses**)

2. Aggregate Limit of Liability:

\$1,000,000 aggregate for all **Loss** (other than **Costs, Charges, and Expenses**)

Item D.

Retention:

\$0 each **Claim**

Item E.

Premium:

\$906.00

Taxes & Surcharges Amount:

\$0.00

Total Amount Due:

\$906.00

Item F.

Extended Reporting Period

1. One (1) year

30% of the premium set forth in Item E of the Declarations

2. Two (2) years

75% of the premium set forth in Item E of the Declarations

3. Three (3) years

120% of the premium set forth in Item E of the Declarations

As provided in subsection H of the General Terms and Conditions, only one of the above **Extended Reporting Period** options may be elected and purchased.

Item G.

NOTICE TO INSURER:

Phone:

800-433-0385 (Business Hours)

800-523-9254 (After Hours)

Please be advised that Financial Lines claims must be reported in writing and cannot be reported by phone. Please refer to your policy for proper reporting procedures.

Mail:

Chubb North America Claims

PO Box 5122

Scranton, PA 18505-0554

FIRST NOTICES FAX:

877-395-0131 (Toll Free)

FIRST NOTICES EMAIL:

ChubbClaimsFirstNotice@Chubb.com

Item H.	Forms attached at Policy issuance:	
Form Number	Edition	Title
PF43716	0614	Community Association Directors & Officers and Employment Practices Liability Policy
PF43147	0614	COMMUNITY ASSOCIATION DIRECTORS & OFFICERS AND EMPLOYMENT PRACTICES LIABILITY POLICY
PF45221	0115	POLLUTION EXCLUSION AMENDED
ALL43826b	0820	FRAUD WARNINGS
PF43609	0814	AMENDATORY ENDORSEMENT - ID
ALL20887	1006	CHUBB PRODUCER COMPENSATION PRACTICES & POLICIES
PF45133	1214	FLSA SUBLIMIT
PF45137	1214	INSURED VS. INSURED DELETED
PF45354	0115	Cap On Losses From Certified Acts of Terrorism
PF46422	0715	TRADE OR ECONOMIC SANCTIONS ENDORSEMENT
TRIA11e	0820	DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT
EPLIAssist	0329	EPL Assist
ILP001	0104	U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS
Cc1k11k	1024	Signatures (All states except OH)

Item I.

Producer Name and Mailing Address

PREFERRED CONCEPTS LLC.

PO BOX 104

SPRINGHOUSE, PA 19477

Producer Code: Z02483

**Community Association
Directors & Officers and
Employment Practices
Liability Policy®**

In consideration of the payment of premium, in reliance on the **Application** and subject to the Declarations, terms and conditions of this **Policy**, the **Insurer** and the **Insureds** agree as follows:

A. INSURING AGREEMENT WITH FULL PRIOR ACTS COVERAGE

Insurer shall pay the **Loss** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Claim** first made against an **Insured** during the **Policy Period** or, if elected, the **Extended Reporting Period**, and reported to the **Insurer** pursuant to Section K of this **Policy**, for a **Wrongful Act** or **Employment Practices Wrongful Act** taking place:

1. prior to the expiration date of the **Policy Period**; or
2. prior to cancellation or nonrenewal of the **Policy Period**; and

arising solely out of such **Insured's** duties on behalf of the **Company**.

B. UNLIMITED EXTENSION

If the **Parent Company** cancels or non-renews this **Policy** for any reason other than being sold, acquired or bankrupt, each **Insured Person** who was not actively serving on behalf of the **Company** at the time of the cancellation or nonrenewal shall be provided an unlimited extension of time to report any **Claims** for a **Wrongful Act** first made against the **Insured Person** after the date of such cancellation or non-renewal. If the **Claim** is for an **Employment Practices Wrongful Act**, the unlimited extension of time to report a **Claim** applies to the former directors and officers only and not to any other former **Insured Persons**. This extension of time to report **Claims** shall be afforded only in the event that (a) the **Wrongful Act** or **Employment Practices Wrongful Act** was committed before the date of cancellation or non-renewal, and (b) no directors and officers liability policy, or policy providing essentially the same type of coverage, or extended reporting period, is in effect at the time the **Claim** is made.

C. DEFINITIONS

All definitions shall apply equally to the singular and plural forms of the respective words.

1. **Application** means all applications, including any attachments thereto, and all other information and materials submitted by or on behalf of the **Insureds** to the **Insurer** in connection with the **Insurer** underwriting this **Policy** or any previous policies issued by the **Insurer** providing continuous coverage until the inception of this **Policy**. All such applications, attachments, information, materials and documents are deemed attached to and incorporated into this **Policy** as if physically attached hereto.
2. **Claim** means:
 - a) any written notice received by any **Insured** that any natural person or entity intends to hold such **Insured** responsible for a **Wrongful Act** or an **Employment Practices Wrongful Act**; or
 - b) any written demand received by and against any **Insured** for monetary damages or nonmonetary or injunctive relief, seeking to hold such **Insured** responsible for a **Wrongful Act** or an **Employment Practices Wrongful Act**; or

- c) any judicial or administrative proceeding initiated against any **Insured** seeking to hold such **Insured** responsible for a **Wrongful Act** or an **Employment Practices Wrongful Act**, including any proceeding conducted by the Equal Employment Opportunity Commission or similar federal, state or local agency, and any appeal therefrom.

A **Claim** shall be deemed first made when an **Insured** or her, his or its legal representative or agent first receives notice of a **Claim**.

3. **Company** means:

- a) the **Parent Company**; and
- b) any **Subsidiary**,

and includes any such entity as a debtor-in-possession or the bankruptcy estate of such entity under United States bankruptcy law or an equivalent status under the law of any other jurisdiction.

4. **Construction Defect** means any actual or alleged defective, faulty, or delayed construction, or any other matter constituting a construction defect under applicable law, regardless of whether it results from:

- a) defective or incorrect architectural plans or other designs;
- b) defective or improper soil testing;
- c) defective, inadequate or insufficient protection from subsoil or earth movement or subsidence;
- d) construction, manufacture or assembly of any tangible property;
- e) failure to provide or pay for any construction-related goods or services; or
- f) supervision or management of any construction-related activities.

5. **Costs, Charges and Expenses** means reasonable and necessary legal costs, charges, fees and expenses incurred by the **Insurer**, or by any **Insured** with the **Insurer's** consent, in defending **Claims** and the premium for appeal, attachment or similar bonds arising out of covered judgments, but with no obligation to apply for or furnish such bonds and only for the amount of such judgment that is up to the applicable Limit of Liability. **Costs, Charges and Expenses** do not include salaries, wages, fees, overhead or benefit expenses of or associated with any **Insured**.

6. **Domestic Partner** means any natural person qualifying as a domestic partner under the provisions of any applicable federal, state or local law or under the provisions of any formal program established by the **Company**.

7. **Discrimination** means

- a) termination of an employment relationship; or
- b) demotion or failure to hire or promote any natural person; or
- c) any other limitation or classification of an **Employee** or applicant for employment which would deprive a natural person of employment opportunities or adversely affect any natural person's status as an **Employee**;

on account of race, color, religion, age, sex, disability, pregnancy, national origin, marital status, sexual orientation or other protected class or characteristic established under applicable federal, state or local statute, ordinance, regulation or order.

8. **Employee** means any natural person whose labor or service is engaged and directed by the **Company** while performing duties related to the conduct of the **Company's** business, including leased, part-time, seasonal and temporary workers, volunteers and interns. An

Employee's status as an **Insured** will be determined as of the date of the **Wrongful Act or Employment Practices Wrongful Act** that resulted in the **Claim**.

9. **Employment Practices Wrongful Act** means any:

- a) **Discrimination**;
- b) **Harassment**;
- c) **Wrongful Termination**;
- d) wrongful deprivation of a career opportunity;
- e) employment-related defamation, libel, slander, disparagement, false imprisonment, misrepresentation, malicious prosecution, or invasion of privacy, or the giving of negative or defamatory statements in connection with an **Employee** reference;
- f) wrongful failure or refusal to adopt or enforce workplace or employment practices, policies or procedures;
- g) wrongful discipline;
- h) employment-related wrongful infliction of emotional distress, mental anguish, or humiliation;
- i) **Retaliation**;
- j) negligent evaluation, supervision or training;
- k) negligent violation of the Uniformed Services Employment & Reemployment Rights Act;
- l) negligent violation of the Family and Medical Leave Act of 1993;
- m) negligent violation of state law having the same or substantially similar purpose as the acts in (k) and (l) above; or
- n) acts described in clauses (a) through (m) above arising from the use of the **Company's** Internet, e-mail, telecommunication or similar systems, including the failure to provide and enforce adequate policies and procedures relating to such use of the **Company's** Internet, email, telecommunication or similar systems;

committed or allegedly committed by the **Company** or by an **Insured Person** acting solely within his or her capacity as such involving and brought by any **Employee**, former **Employee** or applicant for employment with the **Company** or asserted by any **Employee**, former **Employee** or applicant for employment with the **Company**, against an **Insured Person** because of his/her status as such.

10. **Extended Reporting Period** means the period described in Item F of the Declarations which is elected and purchased pursuant to Section F below.

11. **Harassment** means:

- a) sexual harassment including unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature that are made a condition of employment, used as a basis for employment decisions, or create a work environment that is hostile, intimidating or offensive or that otherwise interferes with performance; or
- b) other harassment which creates a work environment that is hostile, intimidating or offensive or that otherwise interferes with performance.

12. **Insured Persons** means all natural persons who were, now are or shall become:

- a) a director, officer, trustee, volunteer or committee member of the **Company**; and
- b) an **Employee**,

including estates, heirs, legal representatives or assigns in the event of death, incapacity or bankruptcy.

13. **Insureds** means the **Company** and **Insured Persons**.
14. **Insurer** means the insurance company providing this insurance and identified in the **Policy** Declarations.
15. **Interrelated Wrongful Acts** means all **Wrongful Acts** and all **Employment Practices Wrongful Acts** that have as a common nexus any fact, circumstance, situation, event, transaction, cause or series of facts, circumstances, situations, events, transactions or causes. **Interrelated Wrongful Acts** shall be deemed to be one **Wrongful Act** or **Employment Practices Wrongful Act** and shall be deemed to have commenced at the time of the earliest **Wrongful Act** or **Employment Practices Wrongful Act**.
16. **Loss** means the damages, judgments, settlements, front pay and back pay, pre-judgment or post-judgment interest awarded by a court and incurred by any of the **Insureds**. **Loss** does not include:
 - a) taxes, fines or penalties;
 - b) matters uninsurable under the laws pursuant to which this **Policy** is construed;
 - c) punitive or exemplary damages, liquidated damages awarded by a court pursuant to a violation of the Equal Pay Act, the Age Discrimination in Employment Act or the Family Medical Leave Act, all as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state or local law, or the multiple portion of any multiplied damage award, except to the extent that such punitive, exemplary, or liquidated damages or the multiple portion of any multiplied damage award are insurable under the internal laws of any jurisdiction which most favors coverage for such damages and which has a substantial relationship to the **Insureds**, **Insurer**, this **Policy** or the **Claim** giving rise to such damages;
 - d) the cost of any remedial, preventative or other non-monetary relief, including without limitation any costs associated with compliance with any such relief of any kind or nature imposed by any judgment, settlement or governmental authority;
 - e) amounts owed under any employment contract, partnership, stock or other ownership agreement, or any other type of contract;
 - f) disability, social security, workers compensation, medical insurance, retirement or pension benefit payments, or settlement amounts representing benefit payments;
 - g) any amount owed as wages, compensation or commission to any **Employee**, other than front pay or back pay; or
 - h) any amount for which the **Insured** is not financially liable or legally obligated to pay.
17. **Organic Pathogen** means any organic irritant or contaminant, including but not limited to mold, fungus, bacteria or virus, including but not limited to their byproduct such as mycotoxin, mildew, or biogenic aerosol.
18. **Parent Company** means the entity first named in Item A of the **Policy** Declarations.
19. **Policy** means, collectively, the Declarations, the **Application**, this policy form and any endorsements.
20. **Policy Period** means the period from the effective date and hour of the inception of this **Policy** to the **Policy** expiration date and hour as set forth in Item B of the **Policy** Declarations, or its earlier nonrenewal or cancellation date and hour, if any.
21. **Retaliation** means any actual or alleged retaliatory treatment of an **Employee** on account of:

- a) the disclosure or threat of disclosure by an **Employee** to a superior or to any governmental agency of any act by any **Insureds** where such act is alleged to be a violation of any federal, state local or foreign law, whether common or statutory, or any rule or regulation promulgated thereunder;
- b) the actual or attempted exercise by an **Employee** of any right that such **Employee** has under law, including rights under any worker's compensation law, the Family and Medical Leave Act of 1993, the Americans with Disabilities Act or any other law relating to employee rights;
- c) the filing of any claim under the Federal False Claims Act or any similar federal, state, local or foreign whistleblower law or whistleblower provision of any law;
- d) any legally-protected **Employee** work stoppage or slowdown; or
- e) an **Employee** assisting, cooperating or testifying in any proceeding or investigation into whether an **Insured** violated any federal, state, local or foreign law, common or statutory, or any rule or regulation promulgated thereunder.

22. **Subsidiary** means:

- a) any entity of which the **Parent Company** owns more than 50% as of the effective date of this **Policy** and which is disclosed as a subsidiary in an **Application** to the **Insurer**;
- b) any non-profit entity formed or acquired after the effective date of this **Policy** if:
 - i. its assets total less than 25% of the total consolidated assets of the **Parent Company** at the time of formation or acquisition; and
 - ii. the formation or acquisition with full particulars about the new **Subsidiary** has been disclosed to **Insurer** by the **Parent Company** as soon as practicable but no later than the expiration date of this **Policy**, or effective date of cancellation or non-renewal, if any;
- c) any non-profit entity formed or acquired after the effective date of this **Policy** if its assets total more than 25% of the total consolidated assets of the **Parent Company**, or any for-profit entity formed or acquired after the effective date of this **Policy**, if the:
 - i. **Parent Company** provides written notice to the **Insurer** of such **Subsidiary** as soon as practicable but within sixty (60) days of the formation or acquisition of the **Subsidiary**; and
 - ii. **Parent Company** provides the **Insurer** with such information as the **Insurer** may deem necessary to determine the insurability of the **Subsidiary**; and
 - iii. **Parent Company** accepts any special terms, exclusions, limitations, conditions or premium imposed by the **Insurer**; and
 - iv. **Insurer**, in its sole discretion, agrees to insure the **Subsidiary**.

23. **Third Party** means any natural person with whom an **Insured**, in their capacity as such, interacts while performing duties related to the conduct of the business of the **Company**; provided, however, **Third Party** shall not include any **Employee**.

24. **Third Party Discrimination** means any actual or alleged discrimination by an **Insured** in their capacity as such against a **Third Party** based upon the **Third Party's** race, color, religion, age, sex, disability, pregnancy, national origin, marital status, sexual orientation or other protected class or characteristic established under applicable federal, state or local statute ordinance, regulation or order, while such **Insured** is performing duties related to the conduct of the business of the **Company**.

25. **Third Party Harassment** means any actual or alleged:

- a) sexual harassment including any unwelcome sexual advances, requests for sexual favors or other verbal or physical conduct of a sexual nature against a **Third Party**; or
- b) other harassment which creates an environment that is hostile, intimidating or offensive to a **Third Party**;

committed or allegedly committed by an **Insured** in their capacity as such while the **Insured** is performing duties related to the conduct of the business of the **Company**.

26. **Transaction** means:

- a) the acquisition by any natural person or entity of more than 50% of the assets of the **Parent Company**; or
- b) the merger or consolidation of the **Parent Company** into another entity such that the **Parent Company** is not the surviving entity; or
- c) another entity, person or group of entities and/or natural persons acting in concert acquires the right to elect or select a majority of the directors of the **Parent Company**; or
- d) the sale by the **Parent Company** of all or substantially all of its assets.

27. **Wrongful Act** means any:

- a) actual or alleged act, error, omission, misleading statement, misstatement, neglect, or breach of duty:
 - i. committed or attempted by an **Insured Person**, arising solely from duties conducted on behalf of the **Company**; or
 - ii. committed or attempted by the **Company**; or
 - iii. asserted against an **Insured Person** because of an actual or alleged act, error, omission, misleading statement, misstatement, neglect, or breach of duty allegedly committed or attempted by the **Company**; or
- b) **Third Party Discrimination**; or
- c) **Third Party Harassment**.

D. EXCLUSIONS

Insurer shall not be liable for **Loss or Costs, Charges and Expenses** on account of any **Claim** made against an **Insured** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving:

1. any actual or alleged bodily injury, sickness, humiliation, mental anguish, emotional distress, invasion of privacy, assault, battery, disease or death of any natural person, or theft, conversion, misappropriation or damage to or destruction of any tangible or intangible property including loss of use thereof or slander of title, whether or not such property is physically injured; provided, however, this exclusion shall not apply to:
 - a) **Claims** for defamation that result from a **Wrongful Act**. However, coverage afforded for defamation shall be only excess over the **Insured's** primary general liability policy, and any such excess coverage hereunder shall follow the terms and conditions of such general liability policy. Failure to maintain a general liability policy shall not create primary coverage under this **Policy**; or
 - b) **Claims** for mental anguish, emotional distress, invasion of privacy, or humiliation, libel, slander or defamation that result from an **Employment Practices Wrongful Act**;
2. conduct of the **Insured** or at the **Insured's** direction that is fraudulent, dishonest, criminal or with the intent to cause damage; provided, however this exclusion shall not apply to **Costs, Charges and Expenses** unless and until such excluded conduct is established by final and

non-appealable judgment or adjudication. No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insureds** for the purpose of determining the applicability of this exclusion;

3. any of the **Insureds** gaining any profit, remuneration or advantage to which the **Insured** was not legally entitled. Provided, however, this exclusion shall not apply to any **Costs, Charges and Expenses** unless and until such excluded gain is established by a final and non-appealable judgment or adjudication. No **Wrongful Act** of one or more **Insureds** shall be imputed to any other **Insured** for the purpose of determining the applicability of this exclusion;
4. any actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants** into or upon land, the atmosphere or any water course or body of water, whether or not such actual, alleged or threatened discharge, dispersal, release or escape is sudden, accidental or gradual in nature; or any direction, demand, order or request that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

For purposes of this exclusion:

Pollutants means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, noise, fungus, organic irritant or contaminant including mold, mildew or biogenic aerosol, and any mycotoxins, spores, scents or byproducts produced or released by fungi, and electric or magnetic or electromagnetic fields;

5. any form of **Organic Pathogen** including the actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Organic Pathogens**, including water damage that results or is alleged to result in the existence of **Organic Pathogens**, whether or not such actual, alleged or threatened existence, discharge, dispersal, release, escape, seepage, migration or disposal is sudden, accidental, intentional or gradual in nature or whether or not any resulting injury, damage, devaluation of property, cost or expense is expected or intended from the perspective of the **Insured**. There will be no coverage for the **Insured's** failure or alleged failure to discover or disclose the existence of **Organic Pathogens** from any source whatsoever or water damage that results or is alleged to result in the existence of **Organic Pathogens**. In addition, this Policy does not cover fines and penalties arising out of any governmental direction, or any request of any private party or citizen action that the **Insured** test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Organic Pathogens** or any **Claim** for the taking, use, acquisition or interference with rights of others in property or air space;
6. any radioactive, toxic or explosive properties of nuclear material which includes, but is not limited to, source material, special nuclear material and by-product material as those terms are defined in the Atomic Energy Act of 1954, any rules, regulations and amendments thereto, and any similar provisions in any common or statutory federal, state or local law and any rules, regulations and amendments thereto;
7. any pension, profit sharing, welfare benefit or other employee benefit program established in whole or in part for the benefit of any **Insured Person**, or any actual or alleged violation of the responsibilities, obligations or duties imposed by the Employee Retirement Income Security Act of 1974 (except Section 510 of such Act), the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act of 1985, the Occupational Safety and Health Act, all as amended, or any

rules, regulations and amendments thereto and any similar provisions in any common or statutory federal, state or local law and any rules, regulations and amendments thereto. Provided, however, this exclusion does not apply to that part of any such **Claim** alleging violations of the Equal Pay Act or **Retaliation** arising from any **Insured's** actual or alleged violation of such laws;

8. any **Claim** by, at the behest of, or on behalf of any **Insured** other than a:
 - a) derivative action brought and maintained on behalf of, in the name of or in the right of the **Company**, but only if brought and maintained totally independent of and without the solicitation, assistance, participation or intervention of any **Insured**; or
 - b) **Claim** for contribution or indemnity that is brought and maintained by or on behalf of any **Insured Person** and which is part of or results directly from a **Claim** which is otherwise covered by this **Policy**; or
 - c) **Claim** brought and maintained by an **Insured Person** for an **Employment Practices Wrongful Act**; or
 - d) **Claim** that is brought and maintained by or on behalf of any former director, trustee, officer, volunteer or committee member, but only if such **Claim** does not arise out of, directly or indirectly result from, is in consequence of, or in any way involves any **Wrongful Act**, **Employment Practices Wrongful Act**, responsibilities, actions, or failure to act by the **Insured** during the tenure of service to the **Insured** by such former director, trustee, officer, volunteer or committee member.
9. any **Claim** made by or against any builder, developer, or sponsor in their capacity as such;
10. any actual or alleged liability of any **Insured**, in whole or in part, including but not limited to actions for contribution or indemnity related to or for any **Construction Defect**;
11. any:
 - a) **Claim**, prior or pending litigation or administrative or regulatory proceeding, demand, arbitration, decree or judgment or formal or informal governmental investigation or inquiry, including without limitation any investigation by the U.S. Department of Labor or the U.S. Equal Employment Opportunity Commission of which any **Insured** had written notice before the effective date of this **Policy**; or
 - b) fact, circumstance, situation, transaction, event, **Wrongful Act** or **Employment Practices Wrongful Act** which, before the effective date of this **Policy**, was the subject of any notice by any **Insured** under any other similar insurance policy; or
 - c) any future **Claim**, litigation, proceeding, demand, arbitration, decree, judgment or governmental investigation or inquiry based upon the same or essentially the same matters described in 11a and 11b immediately above;
12. any **Wrongful Act** or **Employment Practices Wrongful Act** actually or allegedly committed or attempted by a **Subsidiary** or **Insured Persons** thereof before the date such entity became a **Subsidiary** or after the date such entity ceased to be a **Subsidiary**;
13. any actual or alleged responsibility, obligation or duty of any **Insured** pursuant to any workers compensation, unemployment compensation law, social security, disability benefits or pension benefits or similar law; provided, however, that this exclusion shall not apply to that part of any such **Claim** alleging **Retaliation**;
14. any strike, lockout, replacement of workers, picket line or any similar actions resulting from labor disputes or labor negotiations, provided, however, that this exclusion shall not apply to that part of any such **Claim** alleging **Retaliation**;
15. any (i) improper payroll deductions, unpaid wages, misclassification of exempt or non-exempt employee status, compensation earned by or due to the claimant but not paid by the **Insured** (including but not limited to commission, vacation and sick days, retirement benefits,

- and severance pay), overtime pay for hours actually worked or labor actually performed by any **Employee** of a **Company**, or any violation of any common or statutory federal, state, local or foreign law that governs the same topic or subject, or any rules, regulations or amendments thereto; or (ii) any violation of the responsibilities, obligations or duties imposed by the Fair Labor Standards Act (except the Equal Pay Act), as amended, or any rules, regulations and amendments thereto, or similar provisions of any common or statutory federal, state, local or foreign law or any rules, regulations and amendments thereto. Provided, however, this exclusion does not apply to any back pay or front pay allegedly due as the result of discrimination, or that part of any such **Claim** alleging **Retaliation**;
16. the actual or alleged breach of any express contract or agreement, provided, however this exclusion shall not apply to **Costs, Charges and Expenses** incurred in such **Claim**;
 17. any costs or actual or alleged liability resulting from the modification of any real or personal property to make such real or personal property more accessible or accommodating. This exclusion shall not apply to **Costs, Charges and Expenses** associated with such **Claim**, however, **Costs, Charges and Expenses** shall be a part of and not in addition to the Limit of Liability stated in Item C of the **Policy** Declarations;
 18. any **Wrongful Act, Employment Practices Wrongful Act**, fact, circumstance, or situation likely to give rise to a **Claim** of which any person who signed the **Application** had knowledge or a reasonable basis to anticipate might result in a **Claim** prior to the earlier of the inception date of this **Policy** or the inception date of the first **Policy** of this type issued by the **Insurer** to the **Parent Company**, provided that the **Insurer** has provided continuous coverage for the **Parent Company** from such date to the inception date of this **Policy**;
 19. any **Wrongful Act, Employment Practices Wrongful Act**, fact circumstance or situation which has been the subject of any written notice given under any other policy of which this **Policy** is a renewal or replacement or which it succeeds in time, or any other **Wrongful Act or Employment Practices Wrongful Act** whenever occurring which, together with a **Wrongful Act or Employment Practices Wrongful Act** which has been the subject of such notice, would constitute **Interrelated Wrongful Acts**.

E. LIMITS OF LIABILITY AND RETENTIONS

1. Limits of Liability:
 - a) The amount set forth in Item C1 of the **Policy** Declarations shall be the maximum aggregate limit of liability for the payment of all **Loss** from each **Claim** under this **Policy**, subject to (i) subsection 1b) immediately below, and (ii) additional payments for **Costs, Charges and Expenses** as set forth in subsection 1d) immediately below;
 - b) The amount set forth in Item C2 of the **Policy** Declarations shall be the maximum aggregate limit of liability for payment of all **Loss** for all **Claims** under this **Policy**, subject to additional payments for **Costs, Charges and Expenses** as set forth in subsection 1d) immediately below;
 - c) The Limit of Liability for the **Extended Reporting Period**, if applicable, shall be a part of and not in addition to the limit specified in Item C of the **Policy** Declarations;
 - d) Payments of **Loss** by **Insurer** shall reduce the Limits of Liability under this **Policy**. Payments of **Costs, Charges and Expenses** are in addition to and shall not reduce the Limits of Liability. However, if such Limits of Liability are exhausted by payment of **Loss**, the obligations of the **Insurer** under this **Policy**, including those for **Costs, Charges and Expenses**, are completely fulfilled and extinguished.
2. Retention:
 - a) The liability of the **Insurer** shall apply in each **Claim** only to that part of **Loss** which is excess of the Retention amount shown in Item D of the **Policy** Declarations. Such Retention shall be borne uninsured by the **Insureds** and at their own risk;

- b) The **Insurer** shall have no obligation to pay any part or all of the Retention specified in Item D of the **Policy** Declarations for any **Claim** on behalf of an **Insured**. If the **Insurer**, at its sole discretion, elects to pay any part or all of the Retention, the **Insureds** agree to repay such amounts to the **Insurer** upon demand;
 - c) The Retention shall not apply to **Loss** or **Costs, Charges and Expenses** paid on behalf of an **Insured Person** for a **Wrongful Act** or an **Employment Practices Wrongful Act** to the extent the **Company** has not indemnified such **Insured Person** for such **Loss** or **Costs, Charges and Expenses**, subject to the terms and conditions of subsection d) immediately below;
 - d) Regardless of whether **Loss** and **Costs, Charges and Expenses** resulting from any **Claim** against an **Insured Person** is actually indemnified in fact by the **Company**, the Retention set forth in the **Policy** Declarations shall apply to any **Loss** and **Costs, Charges and Expenses** if indemnification of the **Insured Persons** by the **Company** is legally permissible. The certificate of incorporation, charter, articles of association or other organizational documents of the **Company**, including bylaws and resolutions, shall be deemed to have been adopted or amended to provide indemnification to the **Insured Persons** to the broadest extent permitted by law. However, if an **Insured Person** is not indemnified for **Loss** and **Costs, Charges and Expenses** solely by reason of the **Company's** financial insolvency or because indemnification is not legally permissible, the **Insured Person's** Retention as stated on the **Policy** Declarations shall be amended to \$0. This change in Retention shall not affect any other terms or conditions of this **Policy**.
3. All **Claims** arising out of the same **Wrongful Act** or the same **Employment Practices Wrongful Act** and all **Interrelated Wrongful Acts**, shall be deemed to be a single **Claim**, and such **Claim** shall be deemed to have been made at the earliest of the following times, regardless of whether such date is before or during the **Policy Period**:
- a) the time at which the earliest **Claim** involving the same **Wrongful Act, Employment Practices Wrongful Act** or **Interrelated Wrongful Acts** is first made; or
 - b) the time at which the **Claim** involving the same **Wrongful Act, Employment Practices Wrongful Act** or **Interrelated Wrongful Acts** shall be deemed to have been made pursuant to subsection K2 below.

F. EXTENDED REPORTING PERIOD

- 1. If this **Policy** is cancelled or is not renewed for any reason other than non-payment of premium, then the **Parent Company** shall have the right, upon payment of the additional applicable premium calculated at that percentage shown in Item F of the Declarations of the total premium for this **Policy**, to purchase an extension of the coverage granted by this **Policy** with respect to any **Claim** first made during the period of time set forth in Item F of the Declarations after the effective date of such cancellation or, in the event of a refusal to renew, after the **Policy** expiration date, but only with respect to any **Wrongful Act** committed before such date.
- 2. As a condition precedent to the right to purchase the **Extended Reporting Period** set forth in subsection F1 above, the total applicable premium for the **Policy** must have been paid. Such right to purchase the **Extended Reporting Period** shall terminate unless written notice, together with full payment of the premium for the **Extended Reporting Period**, is received by **Insurer** within thirty (30) days after the effective date of cancellation, or, in the event of a refusal to renew, within thirty (30) days after the **Policy** expiration date. If such notice and premium payment is not so given to **Insurer**, there shall be no right to purchase the **Extended Reporting Period**.

3. In the event of the purchase of the **Extended Reporting Period**, the entire premium therefore shall be deemed earned at the commencement of the **Extended Reporting Period**.
4. The exercise of the **Extended Reporting Period** shall not in any way increase or reinstate the limit of **Insurer's** liability under this **Policy**.
5. Coverage for **Claims** or circumstances which ultimately lead to **Claims** first received and reported during the **Extended Reporting Period** shall be in excess over any other valid and collectible insurance providing coverage for such **Claims**.⁷

G. PROPERTY MANAGER/MANAGEMENT COMPANY EXTENSION

The property manager and management company is included as an additional insured, but only with respect to **Claims** arising out of **Wrongful Acts** or **Employment Practices Wrongful Acts** while acting within the scope of his, her or its duties on behalf of the **Insured**. However, there shall be no coverage afforded for a **Claim** brought by or on behalf of the property manager or management company, any current or former **Employee** thereof, or any applicant for employment with the property manager or management company.

H. ESTATES, LEGAL REPRESENTATIVES, AND SPOUSES

The estates, heirs, legal representatives, assigns, spouses and **Domestic Partners** of natural persons who are **Insureds** shall be considered **Insureds** under this **Policy**; provided, however, coverage is afforded to such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners** only for a **Claim** arising solely out of their status as such and, in the case of a spouse or **Domestic Partner**, where the **Claim** seeks damages from marital community property, jointly held property or property transferred from the natural person who is an **Insured** to the spouse or **Domestic Partner**. No coverage is provided for any **Wrongful Act** or **Employment Practices Wrongful Act** of an estate, heir, legal representative, assign, spouse or **Domestic Partner**. All of the terms and conditions of this **Policy** including, without limitation, the Retentions applicable to **Loss** incurred by natural persons who are **Insureds** shall also apply to **Loss** incurred by such estates, heirs, legal representatives, assigns, spouses and **Domestic Partners**.

I. SETTLEMENT AND DEFENSE

1. It shall be the duty of the **Insurer** and not the duty of the **Insureds** to defend any **Claim**. Such duty shall exist even if any of the allegations are groundless, false or fraudulent. The **Insurer's** duty to defend any **Claim** shall cease when the Limits of Liability have been exhausted by the payment of **Loss**.
2. The **Insurer** may make any investigation it deems necessary and shall have the right to adjust, defend, appeal and settle any **Claim**, provided, however, no settlement shall be made without the consent of the **Parent Company**, such consent not to be unreasonably withheld.
3. The **Insureds** agree not to settle or offer to settle any **Claim**, incur any **Costs, Charges and Expenses** or otherwise assume any contractual obligation or admit any liability with respect to any **Claim** without the prior written consent of the **Insurer**, except at personal cost. The **Insured** shall not demand or agree to arbitration of any **Claim** without the written consent of the **Insurer**. The **Insurer** shall not be liable for any settlement, **Costs, Charges and Expenses**, assumed obligation or admission to which it has not consented. The **Insureds** shall promptly send to the **Insurer** all settlement demands or offers received by any **Insured** from any claimant.

4. The **Insureds** agree to provide the **Insurer** with all information, assistance and cooperation which the **Insurer** reasonably requests and agree that, in the event of a **Claim**, the **Insureds** will do nothing that shall prejudice the position of the **Insurer** or its potential or actual rights of recovery. Upon the **Insurer's** request, the **Insured** shall submit to examination and interrogation by a representative of the **Insurer**, under oath if required, and shall attend hearings, depositions, and trials, and shall assist in the conduct of suits, including but not limited to effecting settlement, securing and giving evidence, obtaining the attendance of witnesses, giving written statements to the **Insurer's** representatives and meeting with such representatives for the purpose of investigation and/or defense, all of the above without charge to the **Insurer**.
5. The **Insured** shall execute all papers required and shall do everything that may be necessary to secure and preserve any rights of indemnity, contribution or apportionment which the **Insured** or the **Insurer** may have, including the execution of such documents as are necessary to enable the **Company** to bring suit in the **Insured's** name, and shall provide all other assistance and cooperation which the **Insurer** may reasonably require.

J. PAYMENT PRIORITY

If the amount of any **Loss** which is otherwise due and owing by the **Insurer** exceeds the then-remaining Limit of Liability applicable to the **Loss**, the **Insurer** shall pay the **Loss**, subject to such Limit of Liability, in the following priority:

1. First, the **Insurer** shall pay any otherwise covered **Loss** of the **Insured Persons** in excess of the Retention shown in Item D of the Declarations; and
2. Second, only if and to the extent the payment under subsection 1 immediately above does not exhaust the applicable Limit of Liability, the **Insurer** shall pay any otherwise covered **Loss** of the **Company** in excess of the Retention shown in Item D of the Declarations.

K. NOTIFICATION

1. As a condition precedent to their rights to payment under this **Policy**, the **Insureds** shall give to **Insurer** written notice of any **Claim** made against the **Insureds** as soon as practicable, but in no event later than: (a) sixty (60) days after the expiration of the **Policy Period**; (b) the last date of the an **Extended Reporting Period** if one has been purchased; or (c) the effective date of cancellation or nonrenewal, if an **Extended Reporting Period** has not been purchased.
2. If, during the **Policy Period** or the **Extended Reporting Period**, any **Insured** (i) first becomes aware of facts or circumstances which may reasonably give rise to a future **Claim** covered under this **Policy**, and (ii) during the **Policy Period** or the **Extended Reporting Period**, if purchased, gives written notice to **Insurer** as soon as practicable of:
 - a) a description of the **Wrongful Act** or **Employment Practices Wrongful Act** allegations anticipated;
 - b) the identity of the potential claimants;
 - c) the circumstances by which the **Insureds** first became aware of the **Wrongful Act** or **Employment Practices Wrongful Act**;
 - d) the identity of the **Insureds** allegedly involved;

- e) the consequences which have resulted or may result; and
- f) the nature of the potential monetary damages and non-monetary relief;

then any **Claim** made subsequently arising out of such **Wrongful Act** or **Employment Practices Wrongful Act** shall be deemed to have been made at the time such written notice was received by the **Insurer**. No coverage is provided for fees, expenses and other costs incurred prior to the time such **Wrongful Act** or **Employment Practices Wrongful Act** results in a **Claim**.

- 3. Notice to **Insurer** shall be given to the address specified in Item G1 of the **Policy** Declarations.

L. CANCELLATION AND NON-RENEWAL

- 1. By acceptance of this **Policy**, the **Insureds** hereby confer to the **Parent Company** the exclusive power and authority to cancel this **Policy** on their behalf. The **Parent Company** may cancel this **Policy** by surrender thereof to the **Insurer**, or by mailing written notice to the **Insurer** stating when thereafter such cancellation shall be effective. The mailing of such notice shall be sufficient notice and the effective date of cancellation shall be the date the **Insurer** received such notice or any later date specified in the notice, and such effective date shall become the end of the **Policy Period**. Delivery of such written notice shall be equivalent to mailing.
- 2. This **Policy** may be cancelled by the **Insurer** only for nonpayment of premium, by mailing written notice to the **Parent Company** stating when such cancellation shall be effective, such date to be not less than ten (10) days from the date of the written notice. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the **Insurer** shall be equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then the notice period shall be deemed to be the minimum notice period permitted under the governing law or regulation.
- 3. If this **Policy** is cancelled by the **Insurer**, the **Insurer** shall retain the pro rata proportion of the premium therefore. Payment or tender of any unearned premium by **Insurer** shall not be a condition precedent to the effectiveness of cancellation. If this **Policy** is cancelled by the **Parent Company**, the **Insurer** shall retain the customary short rate proportion of the premium.
- 4. In the event the **Company** refuses to renew this **Policy**, the **Company** shall mail to the **Parent Company**, not less than sixty (60) days prior to the end of the **Policy Period**, written notice of non-renewal. Such notice shall be binding on all **Insureds**.

M. WARRANTY AND SEVERABILITY

1. The **Insureds** represent and warrant that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy**. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, that such representations shall be deemed material to the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, and that this **Policy** is issued in reliance upon the truth of such representations.
2. An **Application** for coverage shall be construed as a separate **Application** for coverage by each **Insured Person**. With respect to the particulars and statements contained in the **Application**, no fact pertaining to or knowledge possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining if coverage is available. However, facts pertaining to and knowledge possessed by any individuals signing the **Application** and the President, Chairperson, and Officers shall be imputed to the **Parent Company** for the purpose of determining if coverage is available.

N. ASSISTANCE, COOPERATION AND SUBROGATION

The **Insureds** agree to provide **Insurer** with such information, assistance and cooperation as **Insurer** reasonably may request, and they further agree that they shall not take any action which in any way increases **Insurer's** exposure under this **Policy**. In the event of any payments under this **Policy**, **Insurer** shall be subrogated to the extent of such payment to all of the **Insureds'** rights of recovery against any natural person or entity. The **Insureds** shall execute all papers required and shall do everything that may be necessary to secure and preserve such rights, including the execution of such documents as are necessary to enable **Insurer** effectively to bring suit or otherwise pursue subrogation in the name of the **Insureds**, and shall provide all other assistance and cooperation which **Insurer** may reasonably require.

O. ENTIRE AGREEMENT

By acceptance of this **Policy**, the **Insureds** agree that this **Policy** embodies all agreements existing between them and **Insurer** or any of their agents relating to this insurance. Notice to any agent or knowledge possessed by any agent or other person acting on behalf of **Insurer** shall not effect a waiver or a change in any part of this **Policy** or estop **Insurer** from asserting any right under the terms of this **Policy** or otherwise, nor shall the terms be deemed waived or changed except by written endorsement or rider issued by **Insurer** to form part of this **Policy**.

P. AUTHORIZATION CLAUSE AND NOTICES

1. By acceptance of this **Policy**, the **Parent Company** agrees to act on behalf of all **Insureds**, and the **Insureds** agree that the **Parent Company** will act on their behalf, with respect to the giving of all notices to **Insurer**, the receiving of notices from **Insurer**, the agreement to and acceptance of endorsements, the payment of the premium and the receipt of any return premium.
2. Notice to the **Parent Company** shall be directed to the natural person named in the **Application**, or such other natural person as shall be designated by the **Parent Company** in writing, at the address of the **Parent Company**. Such notice shall be deemed to be notice to all **Insureds**. The **Parent Company** shall be the agent of all **Insureds** to effect changes in the **Policy** or purchase an **Extended Reporting Period**.

Q. ACTION AGAINST INSURER, ALTERATION AND ASSIGNMENT

No action shall lie against **Insurer** unless, as a condition precedent thereto, there shall have been compliance with all of the terms of this **Policy**. No natural person or entity shall have any right under this **Policy** to join **Insurer** as a party to any action against the **Insureds** to determine their liability, nor shall **Insurer** be impleaded by the **Insureds** or their legal representative. No change in, modification of, or assignment of interest under this **Policy** shall be effective except when made by a written endorsement to this **Policy** which is signed by an authorized representative of the **Insurer**.

R. OTHER INSURANCE

This **Policy** shall be specifically excess of and will not contribute with any other insurance, including but not limited to any other insurance under which there is a duty to defend, unless such other insurance is specifically stated to be excess over the Limit of Liability of this **Policy**.

S. CONFORMITY WITH STATUTE

Terms of this **Policy** which are in conflict with the statutes of the state in which this **Policy** is issued are amended to conform to such statutes.

T. CHANGES IN EXPOSURE

1. In the event of a **Transaction**:
 - a) this **Policy** shall continue in full force and effect until the expiration date of the **Policy**, or the effective date of non-renewal, if applicable, with respect to **Wrongful Acts** occurring before the **Transaction**, but there shall be no coverage under this **Policy** for actual or alleged **Wrongful Acts** or **Employment Practices Wrongful Acts** occurring on and after the **Transaction**.
 - b) the **Parent Company** shall give the **Insurer** written notice of the **Transaction** as soon as practicable, but not later than thirty (30) days after the effective date of the **Transaction**.
 - c) the entire premium for this **Policy** shall be deemed fully earned on the **Transaction** date. In the event of a **Transaction**, the **Parent Company** shall have the right to an offer of coverage by the **Insurer** for an **Extended Reporting Period** to report **Wrongful Acts** occurring prior to the effective date of the **Transaction**.
2. If before or during the **Policy Period** an entity ceases to be a **Subsidiary**, coverage with respect to the **Subsidiary** and its natural person **Insureds** shall continue until termination of this **Policy**. Such coverage continuation shall apply only with respect to **Claims** for **Wrongful Acts** or **Employment Practices Wrongful Acts** taking place prior to the date such entity ceased to be a **Subsidiary**.

U. ALLOCATION

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered:

- a. **Insurer** will pay one hundred percent (100%) of **Costs, Charges and Expenses** for the **Claim** until such time that the Limits of Liability of this **Policy** are exhausted by payment of a covered **Loss** or the **Claim** for the covered **Loss** is resolved by settlement, verdict or summary judgment; and
- b. the **Insureds** and the **Insurer** shall allocate between covered **Loss** (except for **Costs, Charges and Expenses**) and loss that is not covered based upon the relative legal and

financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

V. TERRITORY

Coverage under this **Policy** shall extend to **Wrongful Acts** or **Employment Practices Wrongful Acts** taking place or **Claims** made anywhere in the world.

W. BANKRUPTCY

Bankruptcy or insolvency of any **Insured** or of the estate of any **Insured** shall not relieve the **Insurer** of its obligations nor deprive the **Insurer** of its rights or defenses under this **Policy**.

If a liquidation or reorganization proceeding is commenced by the **Parent Company** or any other **Company** (whether voluntary or involuntary) under Title 11 of the United States Code (as amended), or any similar state, local or foreign law (collectively, "**Bankruptcy Law**") then, in regard to a covered **Claim** under this **Policy**, the **Insureds** hereby waive and release any automatic stay or injunction ("**Stay**") to the extent such **Stay** may apply to the proceeds of this **Policy** under such **Bankruptcy Law**, and agree not to oppose or object to any efforts by the **Insurer** or any **Insured** to obtain relief from the **Stay** applicable to the proceeds of this **Policy** as a result of such **Bankruptcy Law**.

Authorized Representative

POLLUTION EXCLUSION AMENDED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

It is agreed that Section D, Exclusions, subsection 4, is deleted in its entirety and the following is inserted:

4. any actual, alleged or threatened discharge, dispersal, release, escape, seepage, migration or disposal of **Pollutants** into or upon land, the atmosphere or any water course or body of water, whether or not such actual, alleged or threatened discharge, dispersal, release or escape is sudden, accidental or gradual in nature; or any direction, demand, order or request that any **Insured** or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize **Pollutants**, or any voluntary decision to do so;

For purposes of this exclusion:

Pollutants means any substance exhibiting any hazardous characteristics as defined by, or identified on, a list of hazardous substances issued by the United States Environmental Protection Agency or any federal, state, county, municipal or local counterpart thereof or any foreign equivalent. Such substances shall include, without limitation, solids, liquids, gaseous, biological, bacterial or thermal irritants, contaminants or smoke, vapor, soot, fumes, acids, alkalis, chemicals or waste materials (including materials to be reconditioned, recycled or reclaimed). **Pollutants** shall also mean any other air emission or particulate, odor, waste water, oil or oil products, infectious or medical waste, asbestos or asbestos products, fungus, organic irritant or contaminant including mold, mildew or biogenic aerosol, and any mycotoxins, spores, scents or byproducts produced or released by fungi, and electric or magnetic or electromagnetic fields;

All other terms and conditions of this **Policy** remain unchanged.

Authorized Representative



APPLICATION SUPPLEMENT STATE FRAUD WARNINGS

NOTICE TO COMMERCIAL INSURANCE APPLICANTS

This Notice to Commercial Insurance Applicants – State Fraud Warnings provides you with information concerning various state fraud warnings and statements. Where fraud warnings are required as part of the insurance application, this notice forms a part of your application for Commercial Insurance. Please have this form signed by an authorized representative and returned with your application.

NOTICE TO ALABAMA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON, OR ANY COMBINATION THEREOF.

NOTICE TO ARKANSAS APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO COLORADO APPLICANTS: IT IS UNLAWFUL TO KNOWINGLY PROVIDE FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES, DENIAL OF INSURANCE, AND CIVIL DAMAGES. ANY INSURANCE COMPANY OR AGENT OF AN INSURANCE COMPANY WHO KNOWINGLY PROVIDES FALSE, INCOMPLETE, OR MISLEADING FACTS OR INFORMATION TO A POLICYHOLDER OR CLAIMANT FOR THE PURPOSE OF DEFRAUDING OR ATTEMPTING TO DEFRAUD THE POLICYHOLDER OR CLAIMANT WITH REGARD TO A SETTLEMENT OR AWARD PAYABLE FROM INSURANCE PROCEEDS SHALL BE REPORTED TO THE COLORADO DIVISION OF INSURANCE WITHIN THE DEPARTMENT OF REGULATORY AUTHORITIES.

NOTICE TO DISTRICT OF COLUMBIA APPLICANTS: WARNING: IT IS A CRIME TO PROVIDE FALSE OR MISLEADING INFORMATION TO AN INSURER FOR THE PURPOSE OF DEFRAUDING THE INSURER OR ANY OTHER PERSON. PENALTIES INCLUDE IMPRISONMENT AND/OR FINES. IN ADDITION, AN INSURER MAY DENY INSURANCE BENEFITS IF FALSE INFORMATION MATERIALLY RELATED TO A CLAIM WAS PROVIDED BY THE APPLICANT.

NOTICE TO FLORIDA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO INJURE, DEFRAUD, OR DECEIVE ANY INSURER FILES A STATEMENT OF CLAIM OR AN APPLICATION CONTAINING ANY FALSE, INCOMPLETE, OR MISLEADING INFORMATION IS GUILTY OF A FELONY OF THE THIRD DEGREE.

NOTICE TO HAWAII APPLICANTS: INTENTIONALLY OR KNOWINGLY MISREPRESENTING OR CONCEALING A MATERIAL FACT, OPINION OR INTENTION TO OBTAIN COVERAGE, BENEFITS, RECOVERY OR COMPENSATION WHEN PRESENTING AN APPLICATION FOR THE ISSUANCE OR RENEWAL OF AN INSURANCE POLICY OR WHEN PRESENTING A CLAIM FOR THE PAYMENT OF A LOSS IS A CRIMINAL OFFENSE PUNISHABLE BY FINES OR IMPRISONMENT, OR BOTH.

NOTICE TO KANSAS APPLICANTS: ANY PERSON WHO COMMITS A FRAUDULENT INSURANCE ACT IS GUILTY OF A CRIME AND MAY BE SUBJECT TO RESTITUTION, FINES AND CONFINEMENT IN PRISON. A FRAUDULENT INSURANCE ACT MEANS AN ACT COMMITTED BY ANY PERSON WHO, KNOWINGLY AND

WITH INTENT TO DEFRAUD, PRESENTS, CAUSES TO BE PRESENTED OR PREPARES WITH KNOWLEDGE OR BELIEF THAT IT WILL BE PRESENTED TO OR BY AN INSURER, PURPORTED INSURER OR INSURANCE AGENT OR BROKER, ANY WRITTEN, ELECTRONIC, ELECTRONIC IMPULSE, FACSIMILE, MAGNETIC, ORAL, OR TELEPHONIC COMMUNICATION OR STATEMENT AS PART OF, OR IN SUPPORT OF, AN APPLICATION FOR INSURANCE, OR THE RATING OF AN INSURANCE POLICY, OR A CLAIM FOR PAYMENT OR OTHER BENEFIT UNDER AN INSURANCE POLICY, WHICH SUCH PERSON KNOWS TO CONTAIN MATERIALLY FALSE INFORMATION CONCERNING ANY MATERIAL FACT THERETO; OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO

NOTICE TO KENTUCKY APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS, FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME.

NOTICE TO LOUISIANA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON, OR A DENIAL OF INSURANCE BENEFITS.

NOTICE TO MAINE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES OR A DENIAL OF INSURANCE BENEFITS.

NOTICE TO MARYLAND APPLICANTS: ANY PERSON WHO KNOWINGLY OR WILLFULLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR WHO KNOWINGLY OR WILLFULLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO NEW JERSEY APPLICANTS: ANY PERSON WHO INCLUDES ANY FALSE OR MISLEADING INFORMATION ON AN APPLICATION FOR AN INSURANCE POLICY IS SUBJECT TO CRIMINAL AND CIVIL PENALTIES.

NOTICE TO NEW MEXICO APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO CIVIL FINES AND CRIMINAL PENALTIES.

NOTICE TO NEW YORK APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE STATED VALUE OF THE CLAIM FOR EACH VIOLATION.

ADDITIONAL NOTICE TO NEW YORK COMMERCIAL AUTO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO, AND ANY PERSON WHO, IN CONNECTION WITH SUCH APPLICATION OR CLAIM, WHO KNOWINGLY MAKES OR KNOWINGLY ASSISTS, ABETS, SOLICITS OR CONSPIRES WITH ANOTHER TO MAKE A FALSE REPORT OF THEFT, DESTRUCTION, DAMAGE OR CONVERSION OF ANY MOTOR VEHICLE TO A LAW ENFORCEMENT AGENCY THE DEPARTMENT OF MOTOR VEHICLES OR AN INSURANCE COMPANY COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME, AND SHALL ALSO BE SUBJECT TO A CIVIL PENALTY NOT TO EXCEED FIVE THOUSAND DOLLARS AND THE VALUE OF THE SUBJECT MOTOR VEHICLE OR STATED CLAIM FOR EACH VIOLATION.

NOTICE TO OHIO APPLICANTS: ANY PERSON WHO, WITH INTENT TO DEFRAUD OR KNOWING THAT HE/SHE IS FACILITATING A FRAUD AGAINST AN INSURER, SUBMITS AN APPLICATION OR FILES A CLAIM CONTAINING A FALSE OR DECEPTIVE STATEMENT IS GUILTY OF INSURANCE FRAUD.

NOTICE TO OKLAHOMA APPLICANTS: WARNING: ANY PERSON WHO KNOWINGLY, AND WITH INTENT TO INJURE, DEFRAUD OR DECEIVE ANY INSURER, MAKES ANY CLAIM FOR THE PROCEEDS OF AN INSURANCE POLICY CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION IS GUILTY OF A FELONY.

NOTICE TO OREGON APPLICANTS: ANY PERSON WITH THE INTENT TO KNOWINGLY DEFRAUD MAKES ANY MISSTATEMENTS, MISREPRESENTATIONS, OMISSIONS OR CONCEALMENTS CONCERNING A MATERIAL FACT TO AN INSURANCE COMPANY OR OTHER PERSON IN CONNECTION WITH AN APPLICATION FOR INSURANCE MAY BE GUILTY OF INSURANCE FRAUD AND SUBJECT TO PROSECUTION.

NOTICE TO PENNSYLVANIA APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR OTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING ANY MATERIALLY FALSE INFORMATION OR CONCEALS FOR THE PURPOSE OF MISLEADING, INFORMATION CONCERNING ANY FACT MATERIAL THERETO COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS SUCH PERSON TO CRIMINAL AND CIVIL PENALTIES.

ADDITIONAL NOTICE TO PENNSYLVANIA COMMERCIAL AUTO APPLICANTS: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURER FILES AN APPLICATION OR CLAIM CONTAINING ANY FALSE, INCOMPLETE OR MISLEADING INFORMATION SHALL, UPON CONVICTION, BE SUBJECT TO IMPRISONMENT FOR UP TO SEVEN YEARS AND PAYMENT OF A FINE OF UP TO \$15,000.

NOTICE TO RHODE ISLAND APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO TENNESSEE APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO VERMONT APPLICANTS:

ANY PERSON WHO KNOWINGLY PRESENTS A FALSE STATEMENT IN AN APPLICATION FOR INSURANCE MAY BE GUILTY OF A CRIMINAL OFFENSE AND SUBJECT TO PENALTIES UNDER STATE LAW.

NOTICE TO VIRGINIA APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO WASHINGTON APPLICANTS: IT IS A CRIME TO KNOWINGLY PROVIDE FALSE, INCOMPLETE OR MISLEADING INFORMATION TO AN INSURANCE COMPANY FOR THE PURPOSE OF DEFRAUDING THE COMPANY. PENALTIES MAY INCLUDE IMPRISONMENT, FINES AND DENIAL OF INSURANCE BENEFITS.

NOTICE TO WEST VIRGINIA APPLICANTS: ANY PERSON WHO KNOWINGLY PRESENTS A FALSE OR FRAUDULENT CLAIM FOR PAYMENT OF A LOSS OR BENEFIT OR KNOWINGLY PRESENTS FALSE INFORMATION IN AN APPLICATION FOR INSURANCE IS GUILTY OF A CRIME AND MAY BE SUBJECT TO FINES AND CONFINEMENT IN PRISON.

NOTICE TO APPLICANTS IN STATES NOT LISTED ABOVE: ANY PERSON WHO KNOWINGLY AND WITH INTENT TO DEFRAUD ANY INSURANCE COMPANY OR ANOTHER PERSON FILES AN APPLICATION FOR INSURANCE OR STATEMENT OF CLAIM CONTAINING MATERIALLY FALSE INFORMATION, OR CONCEALS FOR THE PURPOSE OF MISLEADING INFORMATION CONCERNING ANY FACT MATERIAL THERETO, COMMITS A FRAUDULENT INSURANCE ACT, WHICH IS A CRIME AND SUBJECTS THE PERSON TO CRIMINAL AND CIVIL PENALTIES.

NAMED INSURED:
POLICY / **QUOTE**
NUMBER:

APPLICANT SIGNATURE (Authorized representative):	
APPLICANT TITLE:	
DATE SIGNED:	

Chubb. Insured.SM

AMENDATORY ENDORSEMENT – IDAHO

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

THIS ENDORSEMENT MODIFIES INSURANCE PROVIDED UNDER THE FOLLOWING:

COMMUNITY ASSOCIATION DIRECTORS & OFFICERS AND EMPLOYMENT PRACTICES LIABILITY POLICY

IF THERE IS ANY CONFLICT BETWEEN THE **POLICY**, OTHER ENDORSEMENTS TO THE **POLICY** AND THIS ENDORSEMENT, THE TERMS PROVIDING THE BROADEST COVERAGE INSURABLE UNDER APPLICABLE LAW SHALL PREVAIL.

It is agreed that:

1. Section **L. CANCELLATION AND NON-RENEWAL** is amended as follows:

- a. Paragraph 2 is deleted in its entirety and replaced by the following:
 2. This **Policy** may be cancelled by the **Insurer** only for nonpayment of premium, by mailing written notice to the **Parent Company** stating when such cancellation shall be effective, such date to be not less than ten (10) days from the date of the written notice. The ten (10) day notification period shall begin to run five (5) days following the date of postmark. The mailing of such notice shall be sufficient notice and the effective date of cancellation stated in the notice shall become the end of the **Policy Period**. Delivery of such written notice by the **Insurer** shall be equivalent to mailing. If the foregoing notice period is in conflict with any governing law or regulation, then the notice period shall be deemed to be the minimum notice period permitted under the governing law or regulation.
- b. Paragraph 4 is deleted in its entirety and replaced by the following:
 4. If the **Insurer** elects not to renew this **Policy**, the **Insurer** will mail to the **Parent Company** at the last mailing address known to the **Insurer**, written notice of nonrenewal at least sixty (60) days before the end of the **Policy Period**. Proof of mailing will be sufficient proof of notice. Notice of nonrenewal is not required if:
 - a) the **Insurer**, or a company within the same insurance group, has offered to issue a renewal **Policy**;
 - b) where the **Parent Company** has obtained replacement coverage or has agreed in writing to obtain replacement coverage; or
 - c) the **Insurer** provides the notice described in subsection A above and thereafter the **Insurer** extended the **Policy** for ninety (90) days or less.
- c. The following is added:
 5. Notices of cancellation from the **Insurer** will state the effective date of cancellation, and will be mailed by certified mail to the **Parent Company**, and by first-class mail to the agent or broker of record, at the last mailing address known to the **Insurer**. Proof of mailing will be sufficient proof of notice.

2. Section **M. WARRANTY AND SEVERABILITY** is deleted in its entirety and the following is inserted:

M. REPRESENTATIONS AND SEVERABILITY

1. The **Insureds** represent that the particulars and statements contained in the **Application** are the basis of this **Policy** and are to be considered as incorporated into and constituting a part of this **Policy**. By acceptance of this **Policy**, the **Insureds** agree that the statements in the **Application** are their representations, that such representations shall be deemed material to the acceptance of the risk or the hazard assumed by **Insurer** under this **Policy**, and that this **Policy** is issued in reliance upon the truth of such representations.
2. An **Application** for coverage shall be construed as a separate **Application** for coverage by each **Insured Person**. With respect to the particulars and statements contained in the **Application**, no fact pertaining to or knowledge possessed by any **Insured** shall be imputed to any other **Individual Insured** for the purpose of determining if coverage is available. However, facts pertaining to and knowledge possessed by any individuals signing the **Application** and the President, Chairperson, and Officers shall be imputed to the **Parent Company** for the purpose of determining if coverage is available.

All other terms and conditions of this **Policy** remain unchanged.



A Chubb Company

Chubb Producer Compensation Practices & Policies

Westchester believes that policyholders should have access to information about Westchester's practices and policies related to the payment of compensation to brokers and independent agents. You can obtain that information by accessing our website at <http://www.chubbproducercompensation.com> or by calling the following toll-free telephone number: 1-866-512-2862.

ALL-20887 (10/06)

**WAGE AND HOUR – COSTS, CHARGES AND EXPENSES
SUBLIMIT COVERAGE ONLY WITH SEPARATE RETENTION**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**This endorsement modifies insurance provided under the following
COMMUNITY ASSOCIATION DIRECTORS & OFFICERS AND EMPLOYMENT PRACTICES
LIABILITY POLICY®**

It is agreed that the **Policy** is amended as follows:

1. The item of the Declarations entitled "Retention", is deleted in its entirety and the following is inserted:

- Retention:

\$0 each **Claim** not alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving a **Wage and Hour Claim** ("**Non-Wage and Hour Claim Retention**")

\$0 each **Claim** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, in whole or in part, a **Wage and Hour Claim**. ("**Wage & Hour Claim Retention**") Provided, however, in the event the **Non-Wage and Hour Claim Retention** is greater than the **Wage & Hour Claim Retention**, the retention applicable to any **Claim** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving, in whole or in part, a **Wage and Hour Claim** shall be equal to the **Non-Wage and Hour Claim Retention**.

2. Section A, INSURING AGREEMENT WITH FULL PRIOR ACTS COVERAGE, is amended to add the following:

The **Insurer** shall pay the **Costs, Charges and Expenses** of the **Insureds** which the **Insureds** have become legally obligated to pay by reason of a **Wage and Hour Claim** first made against the **Insureds** during the **Policy Period** or, if elected, the **Extended Period**, and reported to the **Insurer** pursuant to the terms and conditions of this **Policy**, for any **Employment Practices Wrongful Act** taking place prior to the end of the **Policy Period**. The maximum limit of the **Insurer's** liability for all **Costs, Charges and Expenses** in the aggregate arising from all such **Wage and Hour Claims** shall be \$25,000 ("**Wage and Hour Claim Sub-Limit of Liability**"). The **Wage and Hour Claim Sub-Limit of Liability** shall be part of and not in addition to the applicable aggregate Limit of Liability stated in the Declarations, and will in no way serve to increase such Limit of Liability.

This **Policy** shall not afford any coverage for **Loss** arising out of any **Wage and Hour Claim**, or attributable solely to any actual or alleged violation of any **Wage and Hour Law(s)**, other than **Costs, Charges and Expenses**.

Section C, DEFINITIONS, subsection 9, **Employment Practices Wrongful Act**, is amended to add the following:

Solely with respect to a **Wage and Hour Claim**, **Employment Practices Wrongful Act** also means (i) violation of any **Wage and Hour Law**; or (ii) improper payroll deductions, failure to pay wages, misclassification of exempt or non-exempt employee status, failure to pay compensation earned by or due to the claimant (including but not limited to commission, vacation and sick days, retirement benefits, and severance pay), failure to pay overtime pay for hours actually worked or labor actually performed, or any violation of any law, rule or regulation, or amendments thereto (whether statutory or common law, or otherwise), that governs the same topic or subject.

3. The last sentence of Section D, EXCLUSIONS, subsection 15, is deleted in its entirety and the following is inserted:

Provided, however, this exclusion does not apply to:

1. any back-pay or front-pay allegedly due as the result of discrimination, or
2. that part of any such **Claim** alleging **Retaliation**, or,
3. **Costs, Charges and Expenses** arising from a **Wage and Hour Claim**, subject to the **Wage and Hour Claim Sub-Limit of Liability**, except for: (i) any **Claim** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any violation of any California or Florida state or local **Wage and Hour Law**; or (ii) any **Claim** which is brought or made in California or Florida alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving any violation of any **Wage and Hour Law**.

4. Section C, DEFINITIONS, is amended to add the following:

- **Wage and Hour Claim** means any **Claim** alleging, based upon, arising out of, attributable to, directly or indirectly resulting from, in consequence of, or in any way involving: (i) any violation of any **Wage and Hour Law**; and/or (ii) improper payroll deductions, unpaid wages, misclassification of exempt or non-exempt employee status, compensation earned by or due to the claimant but not paid (including but not limited to commission, vacation and sick days, retirement benefits, and severance pay), overtime pay for hours actually worked or labor actually performed, or any violation of any law, rule or regulation, or amendments thereto (whether statutory or common law, or otherwise), that governs the same topic or subject.
- **Wage and Hour Law** means: (i) the Fair Labor Standards Act (except the Equal Pay Act), as amended, or any rules or regulations promulgated thereunder, or similar provisions of any common or statutory federal, state, local or foreign law, or amendments thereto; and/or (ii) any law, rule or regulation, or amendments thereto (whether statutory or common law, or otherwise) governing or relating to: (a) the payment of wages, including payment of unpaid salary, hourly pay, on-call time and overtime pay; and/or (b) the classification of employees for purposes of determining employees' eligibility for compensation under such law, rules or regulations.

5. Solely with respect to a **Wage and Hour Claim**, Section I, SETTLEMENT AND DEFENSE, subsection 1 is deleted in its entirety and the following is inserted:

1. It shall be the duty of the **Insureds** and not the duty of the **Insurer** to defend any **Claim**.

Solely with respect to a **Wage and Hour Claim**, Section U, ALLOCATION, is deleted in its entirety and the following is inserted:

If a **Claim** includes both **Loss** that is covered under this **Policy** and loss that is not covered under this **Policy**, either because the **Claim** is made against both **Insureds** and others, or the **Claim** includes both covered allegations and allegations that are not covered, the **Insureds** and the **Insurer** shall allocate such amount between covered **Loss** and loss that is not covered based upon the relative legal and financial exposures and the relative benefits obtained by the parties. The **Insurer** shall not be liable under this **Policy** for the portion of such amount allocated to non-covered **Loss**.

All other terms and conditions of this **Policy** remain unchanged.

INSURED VERSUS INSURED DELETED

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY

**This endorsement modifies insurance provided under the following:
COMMUNITY ASSOCIATION DIRECTORS & OFFICERS AND EMPLOYMENT PRACTICES LIABILITY
POLICY**

It is agreed that in Section D, EXCLUSIONS, subsection 8 is deleted in its entirety.

All other terms and conditions of this **Policy** remain unchanged.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Named Insured Val D'Sol Homeowners Association Inc			Endorsement Number PF453540115
Policy Symbol ADO	Policy Number ADOIDF160246122-006	Policy Period 02-09-2026 to 02-09-2027	Effective Date of Endorsement 02-09-2026
Issued By (Name of Insurance Company) ACE Fire Underwriters Insurance Company			

Cap On Losses From Certified Acts Of Terrorism

- A. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in accordance with the provisions of the federal Terrorism Risk Insurance Act, to be an act of terrorism pursuant to such Act. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

- B. The terms and limitations of any terrorism exclusion, or the inapplicability or omission of a terrorism exclusion, do not serve to create coverage for any "loss" that is otherwise excluded under this Policy.

All other terms and conditions of this Policy remain unchanged.

Authorized Representative

TRADE OR ECONOMIC SANCTIONS ENDORSEMENT

Named Insured Val D'Sol Homeowners Association Inc			Endorsement Number PF464220715
Policy Symbol ADO	Policy Number ADOIDF160246122-006	Policy Period 02-09-2026 To 02-09-2027	Effective Date of Endorsement 02-09-2026
Issued By (Name of Insurance Company) ACE Fire Underwriters Insurance Company			

Insert the policy number. The remainder of the information is to be completed only when this endorsement is issued subsequent to the preparation of the policy.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

This insurance does not apply to the extent that trade or economic sanctions or similar laws or regulations prohibit us from providing insurance, including, but not limited to, the payment of claims. All other terms and conditions of policy remain unchanged.

Authorized Agent

DISCLOSURE PURSUANT TO TERRORISM RISK INSURANCE ACT

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in this endorsement or in the policy Declarations.

Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals; 80% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year, the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.

Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a calendar year and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

COVERAGE OF "ACTS OF TERRORISM" AS DEFINED BY THE REAUTHORIZATION ACT WILL BE PROVIDED FOR THE PERIOD FROM THE EFFECTIVE DATE OF YOUR NEW OR RENEWAL POLICY THROUGH THE EARLIER OF THE POLICY EXPIRATION DATE OR DECEMBER 31, 2027. EFFECTIVE DECEMBER 31, 2027 THE TERRORISM RISK INSURANCE PROGRAM REAUTHORIZATION ACT EXPIRES.

Terrorism Risk Insurance Act premium: \$0.

Westchester

A Chubb Company

Employers today face a dizzying array of employment laws, regulations and ongoing employment issues. Whether it involves employee discipline or termination, wage and hour, disability accommodation, or even the new frontier of social media, failure to comply with the ever-changing legal requirements can have a devastating impact on employee morale and the company's bottom line. Westchester recognizes the unique burdens faced by employers today, and is pleased to announce that it has partnered with the nation's foremost employment and labor law firm, Littler Mendelson (Littler), to create a cutting edge employment practices risk management tool for Westchester insureds, called EPL Assist™. With over 975 attorneys in 56 offices, Littler has both the expertise and the capacity to handle any employment matter, big or small. Through EPL Assist™, insureds have an unlimited ability to seek out expert advice and counsel as a benefit of the program.

What is EPL Assist™?

EPL Assist™ is a cutting edge risk management program providing policyholders with a wide variety of legal content, forms and analysis, combined with the ability to interface directly with Littler lawyers dedicated to assisting Westchester insureds in navigating what has become an employment law minefield. Through a secure web portal containing essential employment law resources and tools, as well as a toll free hotline service, Westchester insureds with primary EPL coverage policies now have access to the content and advice necessary to compete in today's challenging legal environment.

Insureds are provided:

- No cost, online and live access to the legal experts at Littler, the largest employment and labor firm in the U.S.
- Employment law updates, newsletters and related publications
- A compendium of online employment law resources through a secure website, including unlimited access to such content as:
 - Employment policies and practices
 - Human Resources forms library
 - Sample employee handbooks, including supplement information for all 50 states
 - State and national employment law summaries and reference materials
 - 50 state surveys on various employment law essentials, including such things as minimum wage and overtime requirements, protected classifications, new hire reporting requirements, meal and rest break requirements, and voting rights requirements
- Free harassment training webinars for up to 10 supervisors or managers
- Complimentary registration to Littler's nationwide breakfast briefing series
- Complimentary access to Littler's webinars and podcasts
- Discounted rates for various Littler events

How do I access EPL Assist™?

Policyholders can simply visit www.EPLAssist.com to register or take a tour. Should you have a question on an employment situation please call 1-888-244-3844 or visit www.EPLAssist.com.

Littler Mendelson P.C. is an independent law firm that is not an agent nor an affiliate of the Chubb Group of Companies ("CHUBB"), and Littler Mendelson P.C. is solely responsible for the advice and guidance provided directly, or through the EPL Assist website. Chubb and Littler Mendelson P.C. cannot guarantee that there will be fewer or less serious claims as a result of using the program. Littler Mendelson P.C. directly, or through the EPL Assist website may help an insured with risk assessment and improvement but it is not intended to supplant any duty to provide a workplace that is safe and complies with the law. Chubb does not engage in giving legal advice and therefore encourages policyholders to seek the advice from their own legal counsel when implementing any and all employment practices. Please note that communication with Littler Mendelson P.C., either directly, or through the EPL Assist website is not notice to the Chubb issuing company of a claim or an act or situation that may give rise to a claim. Nothing herein alters or amends in any way the insurance policy contract between the underwriting company and the policyholder.

U.S. TREASURY DEPARTMENT'S OFFICE OF FOREIGN ASSETS CONTROL ("OFAC") ADVISORY NOTICE TO POLICYHOLDERS

No coverage is provided by this Policyholder Notice nor can it be construed to replace any provisions of your policy. You should read your policy and review your Declarations page for complete information on the coverages you are provided.

This Notice provides information concerning possible impact on your insurance coverage due to directives issued by OFAC. **Please read this Notice carefully.**

The Office of Foreign Assets Control (OFAC) administers and enforces sanctions policy, based on Presidential declarations of "national emergency". OFAC has identified and listed numerous:

- Foreign agents;
- Front organizations;
- Terrorists;
- Terrorist organizations; and
- Narcotics traffickers;

as "Specially Designated Nationals and Blocked Persons". This list can be located on the United States Treasury's web site – <http://www.treas.gov/ofac>.

In accordance with OFAC regulations, if it is determined that you or any other insured, or any person or entity claiming the benefits of this insurance has violated U.S. sanctions law or is a Specially Designated National and Blocked Person, as identified by OFAC, this insurance will be considered a blocked or frozen contract and all provisions of this insurance are immediately subject to OFAC. When an insurance policy is considered to be such a blocked or frozen contract, no payments nor premium refunds may be made without authorization from OFAC. Other limitations on the premiums and payments also apply.

SIGNATURES

Named Insured Val D'Sol Homeowners Association Inc			Endorsement Number Cc1k11k1024
Policy Symbol ADO	Policy Number ADOIDF160246122-006	Policy Period 02-09-2026 to 02-09-2027	Effective Date of Endorsement 02-09-2026
Issued By (Name of Insurance Company) ACE Fire Underwriters Insurance Company			

THE ONLY COMPANY APPLICABLE TO THIS POLICY IS THE COMPANY NAMED ON THE FIRST PAGE OF THE DECLARATIONS.

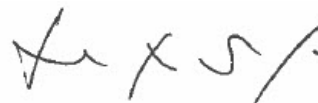
By signing and delivering the policy to you, we state that it is a valid contract.

INDEMNITY INSURANCE COMPANY OF NORTH AMERICA (A stock company)
BANKERS STANDARD INSURANCE COMPANY (A stock company)
ACE AMERICAN INSURANCE COMPANY (A stock company)
ACE PROPERTY AND CASUALTY INSURANCE COMPANY (A stock company)
INSURANCE COMPANY OF NORTH AMERICA (A stock company)
PACIFIC EMPLOYERS INSURANCE COMPANY (A stock company)
ACE FIRE UNDERWRITERS INSURANCE COMPANY (A stock company)
WESTCHESTER FIRE INSURANCE COMPANY (A stock company)

436 Walnut Street, P.O. Box 1000, Philadelphia, Pennsylvania 19106-3703



Brandon Peene, Secretary



Juan Luis Ortega, President

Authorized Representative

ITEM 5	CRIME		
	Insuring Agreement	Single Loss Limit of Insurance	Single Loss Retention
	A. Fidelity 1. Employee Theft 2. ERISA Fidelity 3. Employee Theft of Client Property	\$100,000 Not Covered Not Covered	\$1,000
	B. Forgery or Alteration	\$100,000	\$1,000
	C. On Premises	Not Covered	
	D. In Transit	Not Covered	
	E. Money Orders and Counterfeit Money	Not Covered	
	F. Computer Crime 1. Computer Fraud 2. Computer Program and Electronic Data Restoration Expense	\$100,000 Not Covered	\$1,000
	G. Funds Transfer Fraud	\$100,000	\$1,000
	H. Personal Accounts Protection 1. Personal Accounts Forgery or Alteration 2. Identity Fraud Expense Reimbursement	Not Covered Not Covered	
	I. Claim Expense	\$5,000	\$0

ITEM 5. (Cont'd)	If “<i>Not Covered</i>” is inserted above opposite any specified Insuring Agreement, or if no amount is included in the Limit of Insurance, such Insuring Agreement and any other reference thereto is deemed to be deleted from this Crime Policy. Policy Aggregate Limit of Insurance: ☐ Applicable ☒ Not Applicable If a Policy Aggregate Limit of Insurance is applicable, then the Policy Aggregate Limit of Insurance for each Policy Period for Insuring Agreements A through H, inclusive, is: Not Applicable If a Policy Aggregate Limit of Insurance is not included, then this Crime Policy is not subject to a Policy Aggregate Limit of Insurance as set forth in Section V. CONDITIONS B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT 1. <u>Limit of Insurance</u> a. <u>Policy Aggregate Limit of Insurance</u>. Cancellation of Prior Insurance: By acceptance of this Crime Policy, the Insured gives the Company notice canceling prior policies or bonds issued by the Company that are designated by policy or bond numbers Not Applicable, such cancellation to be effective at the time this Crime Policy becomes effective. INSURED’S PREMISES COVERED: All Premises of the Insured in the United States of America, its territories and possessions, Canada, or any other country throughout the world, except: Not Applicable
ITEM 6	PREMIUM FOR THE POLICY PERIOD: \$2,037.00 Policy Premium \$679.00 Annual Installment Premium
ITEM 7	FORMS AND ENDORSEMENTS ATTACHED AT ISSUANCE: ACF-7006-0511; CRI-3001-0109; CRI-19060-0713; CRI-19072-0315; CRI-19085-0919; CRI-19122-1120; CRI-7132-1120; CRI-19101-1025; CRI-19135-1025; CRI-19136-1025; CRI-19137-1025; CRI-7023-0109; CRI-5013-0613

THE DECLARATIONS, THE APPLICATION, THE CRIME TERMS AND CONDITIONS, ANY PURCHASED INSURING AGREEMENTS, AND ANY ENDORSEMENTS ATTACHED THERETO, CONSTITUTE THE ENTIRE AGREEMENT BETWEEN THE COMPANY AND THE NAMED INSURED.

Countersigned By

IN WITNESS WHEREOF, the Company has caused this policy to be signed by its authorized officers.



President



Corporate Secretary

REMOVAL OF SHORT-RATE CANCELLATION ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

In any cancellation, termination or non-renewal provision, any reference to computing a premium on a short rate basis is replaced with a reference to computing such premium on a pro-rata basis.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **107218658**

CRIME TERMS AND CONDITIONS**PLEASE READ ALL TERMS AND CONDITIONS CAREFULLY****CONSIDERATION CLAUSE**

IN CONSIDERATION of the payment of the premium stated in the Declarations, and subject to the Declarations and pursuant to all the terms, conditions, exclusions and limitations of this **Crime Policy**, the Company will pay the **Insured** for direct loss that the **Insured** sustains which is directly caused by a **Single Loss** taking place at any time and which is **Discovered** by the **Insured** during the **Policy Period** or during the Extended Period to Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss.

I. INSURING AGREEMENTS

This **Crime Policy** provides coverage under each of the following Insuring Agreements. Notwithstanding the aforesaid, if ITEM 5 of the Declarations indicates that any Insuring Agreement is “*Not Covered*,” then such Insuring Agreement and any other reference thereto is deemed to be deleted from this **Crime Policy**.

A. FIDELITY**1. Employee Theft**

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities and Other Property** directly caused by **Theft or Forgery** committed by an **Employee**, whether identified or not, acting alone or in collusion with other persons.

2. ERISA Fidelity

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Money, Securities and Other Property** that belongs to an **Employee Benefit Plan**, directly caused by **Theft or Forgery** committed by a **Fiduciary**, whether identified or not, acting alone or in collusion with other persons.

3. Employee Theft of Client Property

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Money, Securities and Other Property** sustained by the **Insured's Client**, directly caused by **Theft or Forgery** committed by an identified **Employee**.

B. FORGERY OR ALTERATION

The Company will:

1. pay the **Insured** for the **Insured's** direct loss directly caused by **Forgery** or alteration of, on or in any written **Covered Instruments** that are:

- a. made by, drawn by, or drawn upon, the **Insured**, or purport to have been so made or drawn; or
 - b. made or drawn by one acting as the **Insured's** agent, or purport to have been so made or drawn; and
2. reimburse the **Insured** for reasonable legal defense expenses that the **Insured** has paid if the **Insured** is sued for refusing to pay any written **Covered Instrument** under this Insuring Agreement B. on the basis that it has been **Forged** or altered. Reimbursement of such legal expenses is conditioned upon the **Insured's** receipt of the Company's prior written consent to defend against such suit. The amount of any legal expenses reimbursed under Insuring Agreement B. is in addition to the applicable Single Loss Limit of Insurance for Insuring Agreement B.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer is treated the same as a handwritten signature. An **Electronic Signature** is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a **Forgery** under this Insuring Agreement B.

For purposes of this Insuring Agreement B., the term "check" includes a "substitute check" as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

C. ON PREMISES

The Company will pay the **Insured** for:

1. the **Insured's** direct loss of **Money** or **Securities** located inside the **Premises** or **Financial Institution Premises** directly caused by **Theft**, committed by a person present inside such **Premises** or **Financial Institution Premises**;
2. the **Insured's** direct loss of **Money** or **Securities** located inside the **Premises** or **Financial Institution Premises** directly caused by disappearance, damage or destruction;
3. the **Insured's** direct loss of, or direct loss from damage to, **Other Property** located inside the **Premises**:
 - a. directly caused by an actual or attempted **Robbery**; or
 - b. in a safe or vault, directly caused by an actual or attempted **Safe Burglary**; and
4. the **Insured's** direct loss from damage to the **Premises** or its exterior resulting directly from an actual or attempted **Theft, Robbery** or **Safe Burglary**, if the **Insured** is the owner of the **Premises** or is liable for damage to it; or
5. the **Insured's** direct loss of, or loss from damage to, a locked safe, vault, cash register, cash box or cash drawer located inside the **Premises** resulting directly from an actual or attempted **Theft, Robbery** or **Safe Burglary**, if the **Insured** is the owner of the locked safe, vault, cash register, cash box or cash drawer or is liable for damage thereto.

D. IN TRANSIT

1. The Company will pay the **Insured** for the **Insured's** direct loss of **Money** or **Securities** directly caused by **Theft**, disappearance, damage or destruction while in transit outside the **Premises** and in the care and custody of:

- a. **a Messenger**, including while temporarily within the living quarters of a **Messenger**; or
 - b. an armored motor vehicle company.
2. The Company will pay the **Insured** for the **Insured's** direct loss of, or the **Insured's** direct loss from damage to, the **Insured's Other Property** directly caused by an actual or attempted **Robbery** while in transit outside the **Premises** and in the care and custody of:
 - a. **a Messenger**; or
 - b. an armored motor vehicle company.
3. The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, the **Insured's Other Property** directly caused by an actual or attempted **Theft** of the **Insured's Other Property** while it is temporarily within the living quarters of a **Messenger**.

Coverage under this Insuring Agreement D. begins immediately upon receipt of the **Money, Securities** or **Other Property** by the transporting party and ends immediately upon delivery to the designated recipient or its agent.

E. MONEY ORDERS AND COUNTERFEIT MONEY

The Company will pay the **Insured** for the **Insured's** direct loss directly caused by the **Insured's** good faith acceptance of:

1. original money orders, issued or purportedly issued by any post office, express company or bank located in the United States of America, its territories and possessions, Canada, or any other country in which the **Insured** maintains a physical **Premises**, that are not paid upon presentation; or
2. **Counterfeit Money**, of the United States of America, its territories and possessions, Canada, or any other country in which the **Insured** maintains a physical **Premises** that is acquired during the regular course of business;

in exchange for merchandise, **Money** or services.

F. COMPUTER CRIME

1. Computer Fraud

The Company will pay the **Insured** for the **Insured's** direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** directly caused by **Computer Fraud**.

2. Computer Program and Electronic Data Restoration Expense

The Company will pay the **Insured** for reasonable **Restoration Expense** that the **Insured** incurs to restore or replace damaged or destroyed **Computer Programs** or **Electronic Data** stored within the **Insured's Computer System** directly caused by a **Computer Violation**.

For purposes of this Insuring Agreement F.2., a **Single Loss** involving **Computer Program** and **Electronic Data Restoration Expense** applies to reasonable **Restoration Expense** incurred by the **Insured** between the time the **Insured Discovers** the damage or destruction and the time the

Insured's Computer Program or Electronic Data is restored to the level of operational capability that existed immediately preceding a **Computer Violation**. Recurrence of the same **Computer Virus** after the **Insured's Computer Program or Electronic Data** has been restored constitutes a separate **Single Loss**.

Payment of reasonable **Restoration Expense** applies:

- a. only to **Computer Programs** and **Electronic Data** which the **Insured** owns or leases, or for which the **Insured** is legally liable; and
- b. only if the **Insured** is unable to reproduce such **Computer Programs** or **Electronic Data** from back-up data copies.

Payment of reasonable **Restoration Expense** will be made to the **Insured** upon the completion of the restoration of the damaged or destroyed **Computer Programs** or **Electronic Data**.

If a **Single Loss** is covered under both Insuring Agreements F.1. and F.2., then only the Retention for a **Single Loss** under Insuring Agreement F.1. will be applicable and the payment of **Restoration Expense** under Insuring Agreement F.2. will be part of, and not in addition to, the Single Loss Limit of Insurance for Insuring Agreement F.1.

G. FUNDS TRANSFER FRAUD

The Company will pay the **Insured** for the **Insured's** direct loss of **Money** and **Securities** contained in the **Insured's Transfer Account** directly caused by **Funds Transfer Fraud**.

H. PERSONAL ACCOUNTS PROTECTION

1. Personal Accounts Forgery or Alteration

The Company will pay the **Insured**, on behalf of the **Insured's Management Staff Member**, for loss incurred by the **Insured's Management Staff Member**, directly caused by **Forgery** or alteration of, on or in any written **Covered Personal Instruments** that are:

- a. drawn upon personal accounts of the **Insured's Management Staff Member**, or purported to have been so drawn; or
- b. made or drawn by one acting as an agent of the **Insured's Management Staff Member**, or purport to have been so made or drawn.

A signature that is a mechanical or electronic reproduction of a handwritten signature produced by a mechanical check-writing machine or a computer printer will be treated the same as a handwritten signature. An **Electronic Signature** is not treated the same as a mechanical or electronic reproduction of a handwritten signature and is not a **Forgery** under this Insuring Agreement H.

For purposes of this Insuring Agreement H.1. the term "check" includes a substitute check as defined in the Check Clearing for the 21st Century Act, and will be treated the same as the original it replaced.

2. Identity Fraud Expense Reimbursement

The Company will reimburse the **Insured**, on behalf of the **Insured's Management Staff Member**, for **Identity Fraud Expense** incurred by the **Insured's Management Staff Member** as a direct result of any **Identity Fraud**.

I. CLAIM EXPENSE

The Company will pay the **Insured** for reasonable **Claim Expenses** incurred and paid by the **Insured** to establish the existence, amount and preparation of the **Insured's** proof of loss in support of a covered claim for loss under any Insuring Agreement of this **Crime Policy**.

The following conditions specifically apply to this Insuring Agreement I.:

1. any **Claim Expenses** payable to the **Insured** are only applicable to any covered loss which exceeds the Single Loss Retention for the Insuring Agreement that is the subject of a claim under this **Crime Policy**;
2. **Claim Expenses** that are payable to the **Insured** are in addition to the Single Loss Limit of Insurance for the Insuring Agreement that is the subject of a claim under this **Crime Policy**; and
3. **Claim Expenses** payable to the **Insured** will be paid to the **Insured** at the same time as the payment of the valid and collectible loss under the Insuring Agreement that is the subject of a claim under this **Crime Policy**.

II. GENERAL AGREEMENTS

A. JOINT INSURED

1. If the **Insured** consists of more than one entity, then the **First Named Insured** acts for itself and for every other **Insured** for all purposes of this **Crime Policy**.
2. If any **Insured**, or a partner or **Management Staff Member** of that **Insured**, has knowledge of any information relevant to this **Crime Policy**, that knowledge is considered knowledge of every **Insured**.
3. An **Employee** of any **Insured** is considered to be an **Employee** of every **Insured**.
4. The Company will not pay the **Insured** more for loss or losses sustained by more than one **Insured** than the amount the Company would pay if all loss or losses had been sustained by one **Insured**.
5. Payment by the Company to the **First Named Insured** for loss sustained by any **Insured**, or payment by the Company to the **Employee Benefit Plan** for loss sustained under Insuring Agreement A.2, fully releases the Company on account of such loss.
6. If this **Crime Policy** or any of its Insuring Agreements are canceled or terminated as to any **Insured**, loss sustained by that **Insured** is covered only if **Discovered** by the **Insured** during the period of time provided in the Extended Period To Discover Loss pursuant to the terms set forth in Section V. CONDITIONS A. GENERAL CONDITIONS 3. Extended Period to Discover Loss; provided, this extended period to discover loss terminates as to that **Insured** immediately upon the effective date of any other insurance obtained by that **Insured** replacing in whole or in part the insurance afforded by this **Crime Policy**, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

B. ADDITIONAL OFFICES

If the **Insured** establishes any additional offices, other than by consolidation with, merger with, purchase of, or acquisition of assets or liabilities of another organization while this **Crime Policy** is in effect, such offices are automatically covered by this **Crime Policy** from the date of such establishment without the requirement of notice to the Company or the payment of additional premium for the remainder of the **Policy Period**.

C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS

If, during the **Policy Period**, the **Insured** merges with, purchases or acquires the assets or liabilities of another entity, this **Crime Policy** will provide coverage for that merged, purchased, or acquired entity, subject to all other terms and conditions herein, but only for loss **Discovered** by the **Insured** after the effective date of such merger, purchase, or acquisition; provided, the **Insured** gives the Company written notice of such merger, purchase, or acquisition, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such merger, purchase, or acquisition. Coverage for the merged, purchased, or acquired entity will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company. Any **Employee Benefit Plan** or **Sponsored Plan** acquired as above will be included as **Insureds** as specified in Item 1 of the Declarations.

The 90-day notice requirement and the 90-day limitation of coverage will not apply, provided: (1) the assets of the merged, purchased, or acquired entity do not exceed 30% of the total assets of all **Insureds** as reflected in the **Insured's** most recent fiscal year-end financial statement, or (2) the merger, purchase, or acquisition occurs less than 90 days prior to the end of the **Policy Period**.

D. ACQUISITIONS

If, during the **Policy Period**, the **Insured** acquires a **Subsidiary**, this **Crime Policy** will provide coverage for such **Subsidiary** and its respective **Management Staff Members**, **Employee Benefit Plans**, and **Sponsored Plans**, subject to all other terms and conditions of this **Crime Policy**, provided written notice of such acquisition has been given to the Company, and specific application has been submitted on the Company's form in use at the time, together with such documentation and information as the Company may require, all within 90 days after the effective date of such acquisition. Coverage for such **Subsidiary** will not be afforded following such 90-day period unless the Company has agreed to provide such coverage, subject to any additional terms and conditions as the Company may require, and the **Insured** has paid the Company any additional premium as may be required by the Company.

The 90-day notice requirement and the 90-day limitation of coverage will not apply provided that: (1) the assets of the acquired **Subsidiary** do not exceed 30% of the **Insured's** total assets as reflected in the **Insured's** most recent fiscal year-end financial statement; or (2) the acquisition occurs less than 90 days prior to the end of the **Policy Period**.

E. CHANGE OF CONTROL – NOTICE REQUIREMENTS

When the **Insured** learns that a **Change of Control** has taken place as to any **Insured**, or will take place during the **Policy Period**, the **Insured** must give the Company written notice within 90 days of the effective date of such **Change of Control**.

III. DEFINITIONS

Wherever appearing in this **Crime Policy**, the following words and phrases appearing in bold type have the meanings set forth in this Section III. DEFINITIONS:

A. **Change of Control** means:

1. the acquisition of any **Insured**, or of all or substantially all of its assets, by another entity, or the merger or consolidation of any **Insured** into or with another entity such that the **Insured** is not the surviving entity; or
2. the obtaining by any person, entity or affiliated group of persons or entities of the right to elect, appoint or designate more than 50% of the board of directors or board of managers or to exercise a majority control of the board of directors, board of managers, or a functional equivalent thereof of any **Insured**.

- B. **Claim Expenses** means reasonable fees, costs and expenses of outside accountants, attorneys, consultants or experts retained by the **Insured** to determine the amount and extent of loss covered under this **Crime Policy**. The reasonableness of such expenses will be determined by the Company. The phrase does not mean or include any of the **Insured's** internal corporate fees, costs (direct or indirect), obligations or **Employee** wages and salaries.
- C. **Client** means an entity designated as a **Client** by endorsement to this **Crime Policy** for which the **Insured** performs services as specified in a written agreement, but only while the written agreement is in effect.
- D. **Client's Premises** means the interior of that portion of any building the **Insured's Client** occupies in conducting its business.
- E. **Computer Fraud** means:
- The use of any computer to fraudulently cause a transfer of **Money**, **Securities** or **Other Property** from inside the **Premises** or **Financial Institution Premises**:
1. to a person (other than a **Messenger**) outside the **Premises** or **Financial Institution Premises**; or
 2. to a place outside the **Premises** or **Financial Institution Premises**.
- F. **Computer Program** means a set of related electronic instructions that direct the operations and functions of a **Computer System** or devices connected to it that enable the **Computer System** or devices to receive, process, store, retrieve, send, create or otherwise act upon **Electronic Data**.
- G. **Computer System** means a computer and all input, output, processing, storage and communication facilities and equipment that are connected to such a device and that the operating system or application software used by the **Insured** are under the direct operational control of the **Insured**. Off-line media libraries are deemed to be part of such **Computer System**.
- H. **Computer Violation** means:
1. a **Computer Virus** designed to damage or destroy a **Computer Program** or **Electronic Data**; or
 2. vandalism by a natural person, including an **Employee**, who has gained unauthorized electronic access to the **Insured's Computer System**.
- I. **Computer Virus** means a set of unauthorized instructions, programmatic or otherwise:
1. directed solely against the **Insured**; and
 2. that propagate themselves through the **Computer System** or networks;
- provided such instructions were maliciously introduced by a natural person.
- J. **Counterfeit** means an imitation of **Money** that is intended to deceive and to be taken as genuine.
- K. **Covered Instruments** means:
1. checks, drafts, promissory notes, bills of exchange or similar written promises, orders or directions to pay a sum certain in **Money**; and
 2. written instruments required in conjunction with any transaction involving any **Credit, Debit or Charge Card** issued to the **Insured**, the **Insured's Employees** or the **Insured's Management Staff Members** for business purposes.
- L. **Covered Personal Instruments** means:
1. checks, drafts, promissory notes or similar written promises, orders or directions to pay a sum certain in **Money**; and

2. written instruments required in conjunction with any transaction involving any **Credit, Debit or Charge Card** issued to a **Management Staff Member** for personal use.
- M. **Credit, Debit or Charge Card** means any card, plate or other similar device used for the purpose of obtaining **Money**, property, labor or services on credit or for immediate payment. The terms do not mean a note, check, draft, money order or other negotiable instrument.
- N. **Crime Policy** means, collectively, the Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto.
- O. **Digital Signature** means an electronic identifier created by computer, within, attached to or logically associated with a record and executed or adopted by a person with the intent to sign the record.
- P. **Discover, Discovered, or Discovery** means the moment when the **Insured**, any partner in the **Insured**, or **Management Staff Member**:
1. first become(s) aware of facts that would cause a reasonable person to assume that a loss of a type covered by this **Crime Policy** has been or will be incurred, regardless of when the act or acts causing or contributing to such loss occurred, even though the exact details of loss may not then be known; or
 2. first receive(s) notice of a claim against the **Insured** alleging facts which, if true, would constitute a loss under this **Crime Policy**,
- whichever occurs first.
- Q. **Electronic Data** means facts or information converted to a form:
1. usable in a **Computer System**;
 2. that does not provide instructions or directions to a **Computer System**; or
 3. that is stored on electronic processing media for use by a **Computer Program**.
- R. **Electronic Signature** means a **Digital Signature**, an electronic sound, symbol or process, within, attached to, or logically associated with a record and executed or adopted by a person with the intent to sign the record.
- S. **Employee** means:
1. any natural person:
 - a. while in the **Insured's** service or for 60 days after termination of service, unless such termination is due to **Theft** or **Forgery** or any other dishonest act committed by the **Employee**;
 - b. who the **Insured** compensates directly by salary, wages or commissions; and
 - c. who the **Insured** has the right to direct and control while performing services for the **Insured**;
 2. any natural person who is temporarily furnished to the **Insured**:
 - a. to substitute for an **Employee** as set forth in paragraph 1. above, who is on medical, military or other leave of absence; or
 - b. to meet seasonal or short-term workload conditions;

while that person is subject to the **Insured's** direction and control and performing services for the **Insured**; provided, any such natural person who has care and custody of property outside the **Premises** is specifically excluded from this definition;

3. any natural person, other than a temporary **Employee** described in paragraph 2. above, who is leased to the **Insured** under a written agreement between the **Insured** and a labor leasing firm, while that person is subject to the **Insured's** direction and control and performing services for the **Insured**;
4. any natural person:
 - a. who is a member of the board of directors, member of the board of trustees or **LLC Manager** while acting as a member of any of the **Insured's** elected or appointed committees, including any member of such committee, to perform on the **Insured's** behalf, specific, as distinguished from general, directorial acts;
 - b. who is a non-compensated officer;
 - c. other than a non-compensated fund solicitor, while performing services for the **Insured** that are usual to the duties of an **Employee** or officer;
 - d. while acting as a non-compensated fund solicitor during fund raising campaigns;
 - e. who is a former **Employee**, member of the board of directors, partner, **LLC Manager**, or member of the board of trustees retained as a consultant while that person is subject to the **Insured's** direction and control and performing services for the **Insured**;
 - f. who is a guest student or intern pursuing studies or duties in any of the **Insured's** offices or **Premises**; while such person is subject to the **Insured's** direction and control and performing services for the **Insured**;
 - g. who is a volunteer, while such person is subject to the **Insured's** direction and control and is performing services for the **Insured**, or
5. any attorney retained by the **Insured**, and any employee of such attorney, while performing legal services for the **Insured**.

Employee also means any individual described in paragraphs 1-5 above while such person is on medical, military, or other leave of absence from the **Insured**. Coverage applies to any such **Employee** while on leave, regardless of whether such person remains subject to the **Insured's** direction and control during the time of leave.

Employee does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative or other person of the same general character not specified in paragraphs 1. through 5. above.

- T. **Employee Benefit Plan** means an employee welfare benefit plan or an employee pension benefit plan as more fully set forth in Title 1, Section 3 of the Employee Retirement Income Security Act of 1974 and any amendments thereto (ERISA) and which is solely sponsored by an **Employee Benefit Plan Sponsor**.
- U. **Employee Benefit Plan Sponsor** means:
1. the **First Named Insured**,
 2. any **Subsidiary**, or
 3. any other entity listed in Item 1. of the Declarations.

- V. **Fiduciary** means any natural person who is a trustee, an officer, an **Employee** or an administrator of any **Employee Benefit Plan**; and any person, or a member of the board of directors, an officer, an **Officer-Shareholder**, a member of the board of trustees, an **LLC Manager**, or an **Employee** while that person is handling **Money**, **Securities** and **Other Property** that belongs to any **Employee Benefit Plan**.

Fiduciary does not mean any agent, broker, independent contractor, broker/dealer, registered representative, investment advisor, custodian or other person or entity of the same general character.

- W. **Financial Institution** means:
1. a bank, trust company, savings bank, credit union, savings and loan association or similar thrift institution; or
 2. a stock brokerage firm, mutual fund, liquid assets fund or similar investment institution.
- X. **Financial Institution Premises** means the interior of that portion of any building occupied by a **Financial Institution** (including any night depository chute and any safe maintained by such **Financial Institution**), transfer agent or registrar or similarly recognized place of safe deposit.
- Y. **First Named Insured** means the entity first named in ITEM 1 of the Declarations.
- Z. **Forgery**, or **Forged** means the signing of the name of another person or organization with a handwritten signature physically affixed directly to a **Covered Instrument** or **Covered Personal Instrument**, without authority and with the intent to deceive; it does not mean a signature that consists in whole or in part of one's own name signed with or without authority in any capacity, for any purpose.

- AA. **Funds Transfer Fraud** means:

1. an electronic, telegraphic, cable, teletype or telephone instruction fraudulently transmitted to a **Financial Institution** directing such institution to debit a **Transfer Account** and to transfer, pay or deliver **Money** or **Securities** from the **Transfer Account** which instruction purports to have been transmitted by the **Insured**, but was in fact fraudulently transmitted by someone other than the **Insured** without the **Insured's** knowledge or consent;
2. a fraudulent written instruction, other than one covered under Insuring Agreement B., issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay or deliver **Money** or **Securities** from such **Transfer Account** by use of an electronic funds transfer system at specified intervals or under specified conditions, which written instruction purports to have been issued by the **Insured** but was in fact fraudulently issued, **Forged** or altered by someone other than the **Insured** without the **Insured's** knowledge or consent; or
3. an electronic, telegraphic, cable, teletype, telefacsimile, telephone or written instruction initially received by the **Insured**, which purports to have been transmitted by an **Employee**, but which was in fact fraudulently transmitted by someone else without the **Insured's** or the **Employee's** consent.

- BB. **Identity Fraud** means the act of knowingly transferring or using, without lawful authority, a means of identification of a **Management Staff Member** with the intent to commit, aid, or abet any unlawful activity that constitutes a violation of federal law or a felony under any applicable jurisdiction.

- CC. **Identity Fraud Expense** means:

1. costs for notarizing fraud affidavits or similar documents for credit agencies, financial institutions, merchants or other credit grantors that have required that such affidavits be notarized;
2. costs for certified mail to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors;

3. costs for long distance telephone calls to law enforcement agencies, credit agencies, financial institutions, merchants or other credit grantors to report or discuss any actual **Identity Fraud**;
4. lost wages, up to a maximum payment of \$1,000. per week for a maximum period of five (5) weeks, as a result of absence from employment:
 - a. to communicate with law enforcement agencies, legal counsel, credit agencies, financial institutions, merchants or other credit grantors;
 - b. to complete fraud affidavits or similar documents; or
 - c. due to wrongful incarceration arising solely from someone having committed a crime in the **Management Staff Member's** name; provided, that lost wages will not apply in the case of wrongful incarceration absent all charges being dismissed or an acquittal;
5. loan application fees for re-applying for a loan or loans when the original application is rejected solely because the lender received incorrect credit information;
6. reasonable attorney fees incurred, with the Company's prior written consent, for:
 - a. defense of lawsuits brought against the **Insured's Management Staff Member** by financial institutions, merchants, other credit grantors or their collection agencies;
 - b. the removal of any criminal or civil judgments wrongly entered against the **Insured's Management Staff Member**; or
 - c. challenging the accuracy or completeness of any information in a consumer credit report; and
7. costs for daycare and eldercare incurred solely as a direct result of any **Identity Fraud Discovered** during the **Policy Period**.

Identity Fraud Expense does not include any expense or loss not listed in paragraphs 1. through 7. of this Definition CC..

DD. **Insured** means:

1. for the purposes of Insuring Agreement A.2., any and all **Employee Benefit Plans**;
 - a. which have been established or maintained by an **Employee Benefit Plan Sponsor** as of the inception date of this **Crime Policy**, or
 - b. which have been created or acquired by an **Employee Benefit Plan Sponsor** after the inception date of this **Crime Policy**, subject to the provisions of General Agreements C and D.
- or
2. for the purposes of all other Insuring Agreements:
 - a. the **First Named Insured**,
 - b. any **Subsidiary**,
 - c. any **Sponsored Plan**, or
 - d. any other entity listed in Item 1. of the Declarations.

EE. **LLC Manager** means any natural person who was, is or becomes a manager, member of the board of managers, or a functionally equivalent executive of a limited liability company.

FF. **LLC Member** means any natural person who has an ownership interest in a limited liability company.

- GG. **Management Staff Member** means the **Insured's** proprietor, natural person partner, member of the board of directors, member of the board of trustees, officer, risk manager, in-house general counsel, **LLC Manager**, or **LLC Member**.
- HH. **Messenger** means any **Management Staff Member**, or relative thereof, any **Officer-Shareholder**, or any **Employee**, duly authorized, while having care and custody of covered property outside the **Premises**.
- II. **Money** means a medium of exchange in current use and authorized or adopted by a domestic or foreign government, including currency, coins, bank notes, bullion, travelers' checks, registered checks and money orders held for sale to the public.
- JJ. **Officer-Shareholder** means any officer who has a 25% or greater ownership interest in any one or more **Insureds**.
- KK. **Other Property** means any tangible property other than **Money** and **Securities** that has intrinsic value.
- LL. **Policy Period** means the period from the Inception Date to the Expiration Date set forth in ITEM 2 of the Declarations. In no event will the **Policy Period** continue past the effective date of cancellation or termination of this **Crime Policy**.
- MM. **Premises** means the interior of that portion of any building the **Insured** occupies in conducting the **Insured's** business.
- NN. **Restoration Expense** means reasonable costs incurred by the **Insured** to reproduce **Computer Programs** or **Electronic Data** and enable the **Insured** to restore the **Insured's Computer System** to the level of operational capability that existed immediately preceding a **Computer Violation**.

Restoration Expense does not include:

1. the **Insured's** internal corporate costs and expenses, including **Employee** remuneration and any costs related to any legal action;
 2. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** recorded on media, including magnetic or optical media if there are no analyses files, specifications or backups of **Computer Programs** or **Electronic Data** held outside the **Premises**;
 3. expenses incurred as a result of the reconstruction of **Computer Programs** and **Electronic Data** if the **Insured** knowingly used illegal copies of programs;
 4. expenses incurred to render the **Computer Programs** and **Electronic Data** usable by replacement processing equipment;
 5. expenses incurred to design, update or improve **Computer Programs** or **Electronic Data** or to perfect their operation or performance;
 6. expenses incurred as a result of alteration in **Computer Programs** and **Electronic Data** held on magnetic media due to the effect of magnetic fields, incorrect usage of the **Computer Programs** and **Electronic Data**, or the obsolescence of the **Computer System**;
 7. the **Insured's** lost revenue, sales or profits; or
 8. expenses incurred by any customer.
- OO. **Robbery** means the unlawful taking of **Money**, **Securities** and **Other Property** from the care and custody of the **Insured**, the **Insured's** partners or any other person (except any person acting as a watchperson or janitor) by one who has:
1. caused or threatened to cause that person bodily harm; or
 2. committed an unlawful act witnessed by that person.
- PP. **Safe Burglary** means the unlawful taking of:
1. **Money**, **Securities** and **Other Property** from within a locked safe or vault by a person unlawfully entering the safe or vault as evidenced by marks of forcible entry upon its exterior; or

2. a safe or vault from inside the **Premises**.

QQ. **Securities** means written negotiable and non-negotiable instruments or contracts representing **Money** or property including:

1. tokens, tickets, revenue and other stamps (whether represented by actual stamps or unused value in a meter) in current use; and
2. evidences of debt issued in connection with any **Credit, Debit or Charge Card**, which cards are not issued by the **Insured**;

but does not include **Money**.

RR. **Single Loss** means:

1. for purposes of Insuring Agreement A.:
 - a. an individual act;
 - b. the combined total of all separate acts; or
 - c. a series of related acts;

committed by an **Employee** or committed by more than one **Employee** acting alone or in collusion with other persons both during and before the **Policy Period**;

2. for purposes of Insuring Agreements B. and H.1., all loss caused by any person, or loss in which that person is involved, whether the loss involves one or more written **Covered Instruments** or **Covered Personal Instruments**; and

3. for purposes of all other Insuring Agreements:

- a. any act or series of related acts or events involving one or more persons; or
- b. any act, acts or events involving a person or group of persons acting together;

whether identified or not, both during and before the **Policy Period**.

SS. **Sponsored Plan** means any employee benefit plan or employee pension benefit plan solely sponsored by any **Insured** that is not subject to the terms of ERISA.

TT. **Subsidiary** means:

1. any corporation, partnership, limited liability company or other entity, organized under the laws of any jurisdiction in which, on or before the Inception Date set forth in ITEM 2 of the Declarations, the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint, or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent; or
2. subject to the provisions set forth in Section II. GENERAL AGREEMENTS D. ACQUISITIONS, of the Crime Terms and Conditions, any entity that the **Insured** acquires or forms during the **Policy Period** in which the **Insured** owns, directly or indirectly, more than 50% of the outstanding securities or voting rights representing the present right to elect, appoint or exercise a majority control over such entity's board of directors, board of trustees, board of managers, natural person general partners, or functional equivalent.

Subsidiary does not include any entity in which any **Insured** is engaged as a participant in any type of joint venture unless such entity is specifically scheduled as an additional **Insured** by endorsement to this **Crime Policy**.

UU. **Theft** means:

1. under Insuring Agreement A.3., the intentional unlawful taking of **Money, Securities and Other Property** to the deprivation of a **Client**;
 2. under Insuring Agreements C. or D., the intentional unlawful taking of **Money and Securities** to the **Insured's** deprivation.
 3. under all other Insuring Agreements, the intentional unlawful taking of **Money, Securities and Other Property** to the **Insured's** deprivation.
- VV. **Transfer Account** means an account maintained by the **Insured** at a **Financial Institution** from which the **Insured** can initiate the transfer, payment or delivery of **Money or Securities**:
1. by means of electronic, telegraphic, cable, teletype, telefacsimile or telephone instructions communicated directly or through an electronic funds transfer system; or
 2. by means of written instructions (other than those described in Insuring Agreements B. and H.1.) establishing the conditions under which such transfers are to be initiated by such **Financial Institution** through an electronic funds transfer system.

IV. **EXCLUSIONS**

- A. This **Crime Policy** will not apply to loss resulting directly or indirectly from war, whether or not declared; civil war; insurrection; rebellion or revolution; military, naval or usurped power; governmental intervention, expropriation or nationalization; or any act or condition related to any of the foregoing.
- B. This **Crime Policy** will not apply to loss resulting directly or indirectly from seizure or destruction of property by order of governmental authority.
- C. This **Crime Policy** will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by the **Insured**, the **Insured's** natural person partners, any **LLC Member** or **Officer-Shareholder**, whether acting alone or in collusion with others; provided, this Exclusion C. will not apply to loss covered under Insuring Agreement A.2..
- D. This **Crime Policy** will not apply to loss resulting directly or indirectly from any fraudulent, dishonest or criminal act committed by any **Employee or Fiduciary** whether acting alone or in collusion with others, unless covered under Insuring Agreements A.1., A.2., A.3., F.2., or H..
- E. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Funds Transfer Fraud**, unless covered under Insuring Agreements A.1., A.2., A.3., or G..
- F. This **Crime Policy** will not apply to loss resulting directly or indirectly from the **Insured's** acceptance of money orders or **Counterfeit Money**, unless covered under Insuring Agreements A.1., A.2., A.3. or E..
- G. This **Crime Policy** will not apply to loss or damages resulting directly or indirectly from the input of **Electronic Data** by a natural person having the authority to enter the **Insured's Computer System**, unless covered under Insuring Agreements A.1., A.2., A.3., F.2. or G..
- H. This **Crime Policy** will not apply to loss resulting directly or indirectly from forged, altered or fraudulent documents or written instruments used as source documentation in the preparation of **Electronic Data**, unless covered under Insuring Agreements A.1., A.2., or A.3..
- I. This **Crime Policy** will not apply to any expenses incurred by the **Insured** in establishing the existence or the amount of any loss covered under this **Crime Policy**, unless covered under Insuring Agreement I..
- J. This **Crime Policy** will not apply to loss of income, whether or not earned or accrued, or potential income, including interest and dividends, not realized by the **Insured** as the result of any loss covered under this **Crime Policy**.
- K. This **Crime Policy** will not apply to damages of any type, except the **Insured's** direct compensatory damages resulting from a loss covered under this **Crime Policy**.

- L. This **Crime Policy** will not apply to indirect or consequential loss of any nature, including fines, penalties, multiple or punitive damages.
- M. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Theft**, disappearance, damage, destruction or disclosure of any intangible property or confidential information including:
1. trade secret information, confidential processing methods or other confidential information or intellectual property of any kind, or **Electronic Data** unless otherwise covered under Insuring Agreement F.2.; or
 2. **Computer Programs**.
- N. This **Crime Policy** will not apply to loss of, or damage to, manuscripts, records, accounts, microfilm, tapes or other records, whether written or electronic, or the cost of reproducing any information contained in such lost or damaged records, except when covered under Insuring Agreements C., D., or F.2..
- O. This **Crime Policy** will not apply to loss, or that part of any loss, the proof of which as to its existence or amount is dependent solely upon:
1. an inventory computation or physical count; or
 2. a profit and loss computation;
- provided that where the **Insured** establishes wholly apart from such computations or physical count that the **Insured** has sustained a loss covered under Insuring Agreements A.1., A.2, A.3. or F.1., then the **Insured** may offer the **Insured's** inventory records and an actual physical count of inventory in support of other evidence as to the amount of loss claimed.
- P. This **Crime Policy** will not apply to loss resulting directly or indirectly from trading whether or not in the name of the **Insured** or whether or not in a genuine or fictitious account, unless covered under Insuring Agreement A.1, A.2. or A.3..
- Q. This **Crime Policy** will not apply to loss resulting directly or indirectly from fire, except:
1. loss of or damage to **Money** or **Securities**; or
 2. damage to any safe or vault caused by the application of fire thereto in connection with any actual or attempted **Safe Burglary** when covered under Insuring Agreement C..
- R. This **Crime Policy** will not apply to loss resulting directly or indirectly from the giving or surrendering of **Money, Securities** or **Other Property** in any exchange or purchase, whether or not fraudulent, with any other party not in collusion with an **Employee**, except when covered under Insuring Agreement E..
- S. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** while in the custody of any **Financial Institution**, trust company, or similarly recognized place of safe deposit or armored motor vehicle company unless the loss is in excess of the amount recovered or received by the **Insured** under the **Insured's** contract, if any, with, or insurance carried by, any of the aforementioned.
- T. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** held by an armored motor vehicle company for the **Insured**, and which is stored by such company overnight inside buildings used in the conduct of its business.
- U. This **Crime Policy** will not apply to loss resulting directly or indirectly from nuclear reaction, nuclear radiation, radioactive contamination, biological or chemical contamination or to any related act or incident.
- V. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property** resulting directly or indirectly from kidnap, extortion or ransom payments (other than **Robbery**) surrendered to any person as a result of a threat.
- W. This **Crime Policy** will not apply to loss resulting directly or indirectly from **Forgery** or alteration, except when covered under Insuring Agreements A.1., A.2., A.3., B., or H..
- X. This **Crime Policy** will not apply to loss resulting directly or indirectly from **Computer Fraud**, except when covered under Insuring Agreements A.1., A.2., A.3., F.1., or H.1..

- Y. This **Crime Policy** will not apply to loss under Insuring Agreements C. or D. resulting directly or indirectly from:
1. an accounting or arithmetical error or omission;
 2. the loss of property from within any money operated device, unless the amount of **Money** deposited in it is recorded by a continuous recording device;
 3. anyone, acting on the **Insured's** express or implied authority, being induced by any dishonest act to voluntarily part with title to or possession of any property;
 4. damage to motor vehicles, trailers or semi-trailers or equipment and accessories attached to them; or
 5. damage to the **Premises** or its exterior or to containers of covered property by vandalism or malicious mischief.
- Z. This **Crime Policy** will not apply to loss resulting directly or indirectly from the diminution in value of **Money, Securities** or **Other Property**.
- AA. This **Crime Policy** will not apply to loss arising from any **Credit, Debit or Charge Card** if the **Insured**, the **Insured's Employee** or **Management Staff Member** has not fully complied with the provisions, conditions or other terms under which any card was issued.
- BB. This **Crime Policy** will not apply to loss sustained by any **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**, occurring at any time during which such entity was not a **Subsidiary** or related **Employee Benefit Plan** or **Sponsored Plan**.
- CC. This **Crime Policy** will not apply to loss sustained by the **Insured** or any **Subsidiary** to the extent it results in a benefit, gain or transfer to the **Insured** or any **Subsidiary**, except to the extent that such loss is covered under Insuring Agreement A.2..

V. CONDITIONS

A. GENERAL CONDITIONS

1. Territory Covered

Except as indicated in Item 5. of the Declarations,

- a. the Company will cover loss the **Insured** sustains anywhere in the world, and
- b. the Company will cover all of the **Insured's** offices and **Premises**, including any additional offices or **Premises** pursuant to Sections II. GENERAL AGREEMENTS B. ADDITIONAL OFFICES, C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS, and D. ACQUISITIONS in this **Crime Policy**.

2. Cooperation

The **Insured** must cooperate with the Company in all matters pertaining to this **Crime Policy** as stated in its terms, conditions and limitations.

3. Extended Period to Discover Loss

The Company will pay the **Insured** for loss that the **Insured** sustained prior to the effective date of cancellation or termination of this **Crime Policy**, which is **Discovered** by the **Insured**:

- a. no later than 90 days from the date of cancellation or termination; and
- b. as respects any **Employee Benefit Plan**, no later than one (1) year from the date of cancellation or termination.

Notwithstanding the above, this extended period to **Discover** loss terminates immediately upon the effective date of any other insurance obtained by the **Insured** replacing in whole or in part the insurance afforded by this **Crime Policy**, whether or not such other insurance provides coverage for loss sustained prior to its effective date.

4. Other Insurance

This **Crime Policy** applies only as excess insurance over, and will not contribute with: (1) any other valid and collectible insurance available to any **Insured** unless such insurance is written specifically excess of this **Crime Policy** by reference in such other policy to the Policy Number of this **Crime Policy**; and (2) indemnification to which any **Insured** is entitled from any other entity other than any **Insured**. As excess insurance, this **Crime Policy** will not apply or contribute to the payment of any loss to the **Insured** until the amount of such other insurance or indemnity has been exhausted by loss covered thereunder. If the limit of the other insurance or indemnity is insufficient to cover the entire amount of the loss, this **Crime Policy** will apply to that part of the loss not recoverable or recovered under the other insurance or indemnity. This **Crime Policy** will not be subject to the terms of any other insurance.

Any loss that is applicable to this Condition A.4. is subject to both the applicable Single Loss Limit of Insurance and applicable Single Loss Retention shown in ITEM 5 of the Declarations.

If this **Crime Policy** replaces prior insurance that provided the **Insured** with an extended period of time after the termination or cancellation of such prior insurance in which to **Discover** loss, then, and only with respect to loss **Discovered** during such extended period but sustained prior to the termination of such prior insurance, the coverage afforded by this **Crime Policy** applies as follows:

- a. the Company will have no liability for such loss, unless the amount of such loss exceeds the limit of insurance of that prior insurance; provided, that in such case, the Company will pay the **Insured** for the excess of such loss subject to the terms and conditions of this **Crime Policy**; and
- b. any payment the Company makes to the **Insured** for such excess loss will not be greater than the difference between the limit of insurance of the **Insured's** prior insurance and the applicable Single Loss Limit of Insurance of this **Crime Policy**. The Company will not apply the applicable Single Loss Retention to such excess loss.

5. Ownership of Property; Interests Covered

- a. The property covered under this **Crime Policy** except as provided in 5.b. below is limited to property:
 - i. that the **Insured** owns or leases;
 - ii. that the **Insured** holds for others:
 - (a) on the **Insured's Premises** or the **Insured's Financial Institution Premises**; or
 - (b) while in transit and in the care and custody of a **Messenger**; or
 - iii. for which the **Insured** is legally liable, except for property located inside the **Insured's Client's Premises** or the **Insured's Client's Financial Institution Premises**.

Notwithstanding the above, this **Crime Policy** is for the **Insured's** benefit only and provides no rights or benefits to any other person or organization. Any claim for loss that is covered under this **Crime Policy** must be presented by the **Insured**.

- b. If ITEM 5 of the Declarations indicates that coverage under Insuring Agreement A.3. Employee Theft of Client Property has been purchased, then the property covered under Insuring Agreement A.3. is limited to property:

- i. that the **Insured's Client** owns or leases;
- ii. that the **Insured's Client** holds for others; or
- iii. for which the **Insured's Client** is legally liable;

while the property is inside the **Insured's Client's Premises** or the **Insured's Client's Financial Institution Premises**.

Notwithstanding the above, this **Crime Policy** is for the **Insured's** benefit only and provides no rights or benefits to any other person or organization, including the **Insured's Client**. Any claim for loss by the **Insured's Client** that is covered under this **Crime Policy** must be presented by the **Insured**.

6. Representation, Concealment, Misrepresentation or Fraud

No statement made by the **Insured**, whether contained in the application, underwriting information or otherwise, is deemed to be a warranty of anything except that it is true to the best of the knowledge and belief of the person making the statement.

This **Crime Policy** is void in any case of fraud by the **Insured** as it relates to this **Crime Policy** at any time. This **Crime Policy** is also void if the **Insured**, at any time, intentionally conceals or misrepresents a material fact concerning:

- a. this **Crime Policy**;
- b. the **Money, Securities** or **Other Property**;
- c. the **Insured's** interest in the **Money, Securities** or **Other Property**; or
- d. a claim under this **Crime Policy**.

7. Premiums

The **First Named Insured** is responsible for the payment of all premiums and will be the payee for any return premiums the Company pays.

8. Transfer of Rights and Duties Under this **Crime Policy**

Rights and duties under this **Crime Policy** may not be transferred without the Company's written consent except in the case of the death of a natural person **Insured**. If such person dies, then the decedent's rights and duties will be transferred to the decedent's legal representative, but only while acting within the scope of duties as the decedent's legal representative. Until a legal representative is appointed, anyone having proper temporary custody of the decedent's property will have all rights and duties but only with respect to that property.

B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT

1. Limit of Insurance

a. Policy Aggregate Limit of Insurance

If ITEM 5 of the Declarations indicates that this **Crime Policy** includes a Policy Aggregate Limit of Insurance, then the Company's total liability for all loss **Discovered** during the **Policy Period** will not exceed such Policy Aggregate Limit of Insurance. The Policy Aggregate Limit of Insurance will be reduced by the amount of any payment made under the terms of this **Crime Policy**. If the Policy Aggregate Limit of Insurance is exhausted by any payment made for loss **Discovered** during the **Policy Period**, the Company will have no further liability for loss regardless of when **Discovered** and whether or not previously reported to the Company.

If applicable, the Policy Aggregate Limit of Insurance will be reinstated to the extent of any net recovery pursuant to Condition B.6. that is received by the Company during the **Policy Period** and before the Crime Policy Aggregate Limit of Insurance is exhausted. Recovery from reinsurance or indemnity, or both, for the Company's benefit will not be deemed a recovery as used herein. In the event that a loss of **Securities** is settled by the Company through the use of a Lost Securities Bond, such loss will not reduce the Crime Policy Aggregate Limit of Insurance, but any payment under the Lost Securities Bond reduces the Policy Aggregate Limit of Insurance under this **Crime Policy**.

The provisions of this Condition B.1.a. will not be applicable to Insuring Agreement A.2.

If ITEM 5 of the Declarations indicates that this **Crime Policy** does not include a Crime Policy Aggregate Limit of Insurance, then payment of loss under this **Crime Policy** will not reduce the Single Loss Limit of Insurance for other **Single Losses**.

b. Single Loss Limit of Insurance

The maximum Single Loss Limit of Insurance for each Insuring Agreement will not exceed the applicable amount set forth in ITEM 5 of the Declarations for such Insuring Agreement.

c. Special Limit of Insurance for Specified Other Property

The Company's liability for loss under Insuring Agreements C. and D. is limited as follows

- i. the lesser of \$25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss** involving precious metals, precious or semi-precious stones, pearls, furs, or completed articles made of or containing such enumerated materials that constitute more than half the value of such articles;
- ii. the lesser of \$25,000. or the amount shown as the Single Loss Limit of Insurance for any **Single Loss**, including damage to manuscripts, drawings or records of any kind, or the cost of reconstructing them or reproducing any information contained in them;

The Special Limit of Insurance for Specified Other Property is part of, and not in addition to, any applicable limit of liability.

d. Identity Fraud Expense Reimbursement Single Loss Limit of Insurance

The maximum limit of insurance per the **Insured's Management Staff Member** for each **Identity Fraud** covered under Insuring Agreement H.2. will not exceed the applicable Single Loss Limit of Insurance stated in ITEM 5 of the Declarations. All acts incidental to an **Identity Fraud**, any series of **Identity Frauds**, and all **Identity Frauds** arising from the same method of operation, whether committed by one or more persons, will be deemed to arise out of one act and will be treated as one **Identity Fraud**. If an act causes a covered loss under Insuring Agreement H.2. to more than one **Management Staff Member**, the applicable Single Loss Limit of Insurance and Retention under Insuring Agreement H.2. applies to each **Management Staff Member** separately.

e. Loss Covered Under More Than One Insuring Agreement of this **Crime Policy**

Subject to any applicable Crime Policy Aggregate Limit of Insurance, if any **Single Loss** is comprised of loss covered under more than one Insuring Agreement, the most the Company will pay the **Insured** for such **Single Loss** is the lesser of:

- i. the actual amount of such **Single Loss**; or

- ii. the sum of the Single Loss Limits of Insurance applicable to such Insuring Agreements applying to such loss.

2. Single Loss Retention

The Company will not pay the **Insured** for any **Single Loss** unless the amount of such **Single Loss** exceeds the Single Loss Retention shown in Item 5 of the Declarations. The Company will pay the **Insured** the amount of any **Single Loss** in excess of the Single Loss Retention, up to the Single Loss Limit of Insurance for the applicable Insuring Agreement.

If more than one Single Loss Retention applies to the same **Single Loss**, then only the highest Single Loss Retention will be applied.

No Single Loss Retention applies to any legal expenses paid to the **Insured** solely under Insuring Agreement B.

3. The Insured's Duties in the Event of a Loss

After the **Insured Discovers** a loss or a situation that may result in loss of or loss from damage to **Money**, **Securities** or **Other Property** that exceeds 25% of the Single Loss Retention, the **Insured** must:

- a. notify the Company as soon as possible;
- b. notify law enforcement authorities if the **Insured** has reason to believe that any loss, except for loss covered under Insuring Agreements A.1., A.2., A.3., or F.2., involves a violation of law;
- c. submit to examination under oath at the Company's request and give the Company a signed statement of the **Insured's** answers;
- d. give the Company a detailed, sworn proof of loss within 120 days; and
- e. cooperate with the Company in the investigation and settlement of any claim.

Proof of loss under Insuring Agreement B. and H.1. must include: (1) an affidavit of **Forgery** setting forth the amount and cause of loss; and (2) the original written **Covered Instruments** or **Personal Covered Instruments** or a copy of such written instruments.

4. Valuation / Settlement

Subject to the applicable limit of insurance provision (Section V. CONDITIONS B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT 1. Limit of Insurance) the Company will pay the **Insured** for:

- a. loss of **Money** but only up to and including its face value, and, at the Company's option, pay for loss of **Money** issued by any country other than the United States of America:
 - i. at face value in the **Money** issued by that country; or
 - ii. in the United States of America dollar equivalent determined by the rate of exchange published in The Wall Street Journal on the day the loss was **Discovered**;
- b. loss of **Securities** but only up to and including their value at the close of business on the day the loss was **Discovered**, and at the Company's option:
 - i. pay the **Insured** the value of such **Securities** or replace them in kind, in which event the **Insured** must assign to the Company all the **Insured's** rights, title and interest in those **Securities**; or

- ii. pay the cost of any Lost Securities Bond required in connection with issuing duplicates of the **Securities**; provided, the Company will be liable only for the cost of the Lost Securities Bond as would be charged for a bond having a penalty not exceeding the lesser of the value of the **Securities** at the close of business on the day the loss was **Discovered**;
- c. loss of, or loss from damage to, **Other Property** or **Premises** including its exterior for the replacement cost without deduction for depreciation; provided, the Company will pay the **Insured** the lesser of the following:
 - i. the applicable Single Loss Limit of Insurance;
 - ii. the cost to replace **Other Property** or **Premises** including its exterior with property of comparable material and quality, and used for the same purpose; or
 - iii. the amount the **Insured** actually spends that is necessary to repair or replace such property;

provided, the Company will, at its option, pay the **Insured** for loss of, or loss from damage to, **Other Property** or **Premises** including its exterior, in the **Money** of the country in which the loss occurred, or in the United States of America dollar equivalent of the **Money** of the country in which the loss occurred determined by the rate of exchange published in The Wall Street Journal on the day the loss was **Discovered**.

The Company will not pay the **Insured** on a replacement cost basis for any loss or damage until such property is actually repaired or replaced, and unless the repairs or replacement are made as soon as reasonably possible after the loss or damage. If the lost or damaged property is not repaired or replaced, the Company will pay the **Insured** actual cash value on the day the loss was **Discovered**.

Any property that the Company pays the **Insured** for or replaces becomes the Company's property.

5. Records

The **Insured** must keep records of all **Money**, **Securities**, and **Other Property** under this **Crime Policy** so the Company can verify the amount of any loss.

6. Recoveries

- a. All recoveries for payments made under this **Crime Policy** should be applied, after first deducting the costs and expenses incurred in obtaining such recovery, in the following order of priority:
 - i. first, to the **Insured** to reimburse the **Insured** for loss sustained that would have been paid under this **Crime Policy** but for the fact that it is in excess of the applicable Single Loss Limit(s) of Insurance;
 - ii. second, to the Company in satisfaction of amounts paid or to be paid to the **Insured** in settlement of the **Insured's** covered claim;
 - iii. third, to the **Insured** in satisfaction of any Single Loss Retention; and
 - iv. fourth, to the **Insured** in satisfaction of any loss not covered under this **Crime Policy**.
- b. The value of all property received by the **Insured** from any source whatever and whenever received, in connection with any matter from which a loss has arisen, will be valued as of the date received and will be deducted from the covered loss.

- c. Recoveries do not include any recovery:
 - i. from insurance, suretyship, reinsurance, security or indemnity taken for the Company's benefit; or
 - ii. of original **Securities** after duplicates of them have been issued.

7. Transfer of the Insured's Rights of Recovery Against Others to the Company

The **Insured** must transfer to the Company all the **Insured's** rights of recovery against any person or organization for any loss the **Insured** sustained and for which the Company has paid or settled. The **Insured** must also do everything necessary to secure those rights and do nothing after loss to impair them.

8. Legal Action Against the Company

The **Insured** may not bring any legal action against the Company involving loss:

- a. unless the **Insured** has complied with all the terms of this **Crime Policy**;
- b. until 90 days after the **Insured** has filed proof of loss with the Company; and
- c. unless brought within two (2) years from the date the **Insured Discovers** the loss.

If any limitation in this Condition B.8. is deemed to be inconsistent with applicable law, such limitation is amended so as to equal the minimum period of limitation provided by such law.

9. Liberalization

If the Company adopts any revision to the Crime Terms and Conditions of this **Crime Policy** that would broaden coverage and such revision does not require an additional premium or endorsement and the revision is adopted within 45 days prior to or during the **Policy Period**, the broadened coverage will apply to this **Crime Policy** as of the date the revision is approved for general use by the applicable department of insurance.

C. EMPLOYEE BENEFIT PLAN PROVISIONS – INFLATION GUARD

In compliance with certain provisions of ERISA:

- 1. if any **Employee Benefit Plan** is insured jointly with any other entity under this **Crime Policy**, the **Insured** must select a Single Loss Limit of Insurance for Insuring Agreement A.2. that is sufficient to provide an amount of insurance for each **Employee Benefit Plan** that is at least equal to that required if each **Employee Benefit Plan** were insured separately;
- 2. if the **Insured** is an entity other than an **Employee Benefit Plan**, any payment the Company makes to the **Insured** for loss sustained by any **Employee Benefit Plan** will be held by such **Insured** for the use and benefit of the **Employee Benefit Plan(s)** sustaining the loss; and
- 3. if two or more **Employee Benefit Plans** are covered under this **Crime Policy**, any payment the Company makes for loss:
 - a. sustained by two or more **Employee Benefit Plans**; or

- b. of commingled **Money, Securities** or **Other Property** of two or more **Employee Benefit Plans**;

that arises out of a **Single Loss** is to be shared by each **Employee Benefit Plan** sustaining loss, in the proportion that the limit of insurance required under ERISA for each such **Employee Benefit Plan**, bears to the total of those limits of insurance.

- 4. If, at the inception date of this **Crime Policy**, or a preceding policy written by the Company that provided ERISA fidelity coverage for **Employee Benefit Plans**, the **Insured** has or had a Single Loss Limit of Insurance under such ERISA fidelity coverage for **Employee Benefit Plans** that is or was equal to or greater than the limit of insurance required under ERISA, the Single Loss Limit of Insurance under Insuring Agreement A.2. will equal the greater of the amount of the limit of insurance required by ERISA or the Single Loss Limit of Insurance set forth in Item 5. of the Declarations for Insuring Agreement A.2.

D. CANCELLATION OR TERMINATION

- 1. The **Insured** may cancel:
 - a. this **Crime Policy** in its entirety;
 - b. an Insuring Agreement; or
 - c. coverage for any **Insured**;

by mailing or delivering to the Company advance written notice of cancellation.

- 2. The Company may cancel:
 - a. this **Crime Policy** in its entirety;
 - b. an Insuring Agreement; or
 - c. coverage for any **Insured**;

by mailing or delivering to the **First Named Insured** written notice of cancellation at least 20 days before the effective date of cancellation if the Company cancels for nonpayment of premium; or 60 days before the effective date of cancellation if the Company cancels for any other reason.

The Company will mail or deliver the Company's notice to the **First Named Insured's** last mailing address known to the **Company**. Notice of cancellation will state the effective date of cancellation and the **Policy Period** will end on that date. If this **Crime Policy** or an Insuring Agreement is cancelled, the Company will send the **First Named Insured** any premium refund due. If the Company cancels this **Crime Policy**, the refund will be pro rata. If the **Insured** cancels, the earned premium will be computed in accordance with the customary short rate table and procedure. The cancellation will be effective even if the Company has not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.

- 3. This **Crime Policy** terminates:
 - a. in its entirety immediately upon the expiration of the **Policy Period**;

- b. in its entirety immediately upon exhaustion of the Policy Aggregate Limit of Insurance, if applicable; provided, that no **Crime Policy** termination under this Condition D.3.b. will be effective with respect to any **Employee Benefit Plan** covered under Insuring Agreement A.2.;
- c. in its entirety immediately upon the voluntary liquidation or dissolution of the **First Named Insured**; provided, that no **Crime Policy** termination under this Condition D.3.c. will be effective with respect to any **Employee Benefit Plan** covered under Insuring Agreement A.2.; or
- d. as to any **Subsidiary** immediately upon the **Change of Control** of such **Subsidiary**.

4. This **Crime Policy** terminates as to any **Employee**:

- a. as soon as the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent employment related act involving an amount in excess of \$10,000; or
- b. 60 days after the **Insured's** partner, any of the **Insured's Management Staff Members** or any **Employee** with managerial or supervisory responsibility not in collusion with the **Employee** becomes aware of any dishonest or fraudulent non-employment related act; either of which acts were committed by such **Employee** in the **Insured's** service, during the term of employment by the **Insured** or prior to employment by the **Insured**, provided such dishonest or fraudulent non-employment related act involved **Money, Securities** or **Other Property** is in an amount in excess of \$10,000.

E. CHANGES

Only the **First Named Insured** is authorized to make changes in the terms of this **Crime Policy** and solely with the Company's prior written consent. This **Crime Policy's** terms can be changed, amended or waived only by endorsement issued by the Company and made a part of this **Crime Policy**. Notice to any representative of the **Insured** or knowledge possessed by any agent or by any other person will not effect a waiver or change to any part of this **Crime Policy**, or estop the Company from asserting any right under the terms, conditions and limitations of this **Crime Policy**, nor may the terms, conditions and limitations hereunder be waived or changed, except by a written endorsement to this **Crime Policy** issued by the Company.

F. ENTIRE AGREEMENT

The Declarations, the application, the Crime Terms and Conditions, and any endorsements attached thereto, constitute the entire agreement between the **Insured** and the Company.

G. HEADINGS

The titles of the various paragraphs of this **Crime Policy** and its endorsements are inserted solely for convenience or reference and are not to be deemed in any way to limit or affect the provision to which they relate.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**REPLACE GENERAL AGREEMENT E. - CHANGE OF CONTROL - NOTICE REQUIREMENTS
ENDORSEMENT**

This endorsement changes the following:

Crime

It is agreed that:

The following replaces section II. **GENERAL AGREEMENTS, E. CHANGE OF CONTROL – NOTICE REQUIREMENTS:**

E. CHANGE OF CONTROL – NOTICE REQUIREMENTS

When the **Insured** learns that a **Change of Control** has taken place as to the **First Named Insured**, or will take place during the **Policy Period**, the **Insured** must give the Company written notice within 90 days of the effective date of such **Change of Control**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **107218658**

CRI-19060 Ed. 07-13

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**GLOBAL COVERAGE COMPLIANCE ENDORSEMENT – ADDING FINANCIAL INTEREST COVERAGE
AND SANCTIONS CONDITION AND AMENDING TERRITORY CONDITION**

This endorsement changes the following:

Crime

It is agreed that:

1. The following is added to section **III. DEFINITIONS**:

Financial Interest means the **First Named Insured's** insurable interest in an **Insured** that is domiciled in a country or jurisdiction in which the Company is not licensed to provide this insurance, as a result of the **First Named Insured's**:

1. ownership of the majority of the outstanding securities or voting rights of the **Insured** representing the present right to elect, appoint, or exercise a majority control over such **Insured's** board of directors, board of trustees, board of managers, natural person general partner, or functional foreign equivalent;
2. indemnification of, or representation that it has an obligation to indemnify, the **Insured** for loss sustained by such **Insured**; or
3. election or obligation to obtain insurance for such **Insured**.

2. The following replaces section **V. CONDITIONS, A. GENERAL CONDITIONS, 1., Territory Covered**:

1. Territory Covered

- a. Except as indicated in Item 5. of the Declarations,

- i. the Company will cover loss the **Insured** sustains anywhere in the world, and
- ii. the Company will cover all of the **Insured's** offices and **Premises**, including any additional offices or **Premises** pursuant to sections II. GENERAL AGREEMENTS B. ADDITIONAL OFFICES, C. CONSOLIDATION, MERGER OR PURCHASE OF ASSETS, and D. ACQUISITIONS in this **Crime Policy**.

- b. This **Crime Policy** does not apply to:

- i. loss sustained by an **Insured** domiciled; or
- ii. loss of **Other Property** located,

in any country or jurisdiction in which the Company is not licensed to provide this insurance, to the extent that providing this insurance would violate the laws or regulations of such country or jurisdiction.

- c. In the event an **Insured** sustains loss referenced in b. above to which this **Crime Policy** would have applied, the Company will reimburse the **First Named Insured** for its loss, on account of its **Financial Interest** in such **Insured**.

3. The following is added to section **V. CONDITIONS, B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT**:

In the event the Company reimburses the **First Named Insured** on account of its **Financial Interest** in an **Insured**, as a condition precedent to exercising rights under this **Crime Policy**, the **First Named Insured** will cause the **Insured** to comply with the conditions of this **Crime Policy**.

- 4 The following is added to section **V. CONDITIONS**:

SANCTIONS

This **Crime Policy** will provide coverage for any loss or expenses, or otherwise will provide any benefit, only to the extent that providing such coverage or benefit does not expose the Company or any of its affiliated or parent companies to any trade or economic sanction under any law or regulation of the United States of America or any other applicable trade or economic sanction, prohibition or restriction.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

SOCIAL ENGINEERING FRAUD INSURING AGREEMENT ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

1. The following is added to ITEM 5. of the Declarations:

Insuring Agreement	Single Loss Limit of Insurance	Single Loss Retention
Social Engineering Fraud	\$100,000	\$1,000

2. The following **INSURING AGREEMENT** is added to section I. **INSURING AGREEMENTS**:

SOCIAL ENGINEERING FRAUD

The Company will pay the **Insured** for the **Insured's** direct loss from the transferring, paying or delivering of **Money** or **Securities**, directly caused by **Social Engineering Fraud**.

3. The following are added to section III. **DEFINITIONS**:

Authorized Person means an **Officer-Shareholder**, sole proprietor, director, trustee, natural person partner, **LLC Manager** or **LLC Member** who is authorized by the **Insured** to transfer, pay, or deliver **Money** or **Securities** or to instruct **Employees** or other **Authorized Persons** to transfer, pay, or deliver **Money** or **Securities**.

Communication means an electronic, telegraphic, cable, teletype, telephonic voice, telefacsimile, or written instruction received by an **Employee** or **Authorized Person** that:

1. directs the **Employee** or **Authorized Person** to transfer, pay, or deliver **Money** or **Securities**;
2. contains a misrepresentation of a material fact; and
3. is relied upon by the **Employee** or **Authorized Person**, believing the material fact to be true.

Social Engineering Fraud means the intentional misleading of an **Employee** or **Authorized Person** by a natural person impersonating:

1. a **Vendor**, or that **Vendor's** attorney;
2. a **Client**, or that **Client's** attorney;
3. an **Employee**; or
4. an **Authorized Person**,

through the use of a **Communication**.

Vendor means an entity or natural person that has provided goods or services to the **Insured** under a genuine, pre-existing, written agreement or other agreed-upon arrangement.

Vendor does not include any **Financial Institution**, asset manager, armored motor vehicle company, or similar entity.

4. The following replaces section III. **DEFINITIONS**, G. **Computer System**:

G. **Computer System** means:

1. any computer; and
2. any input, output, processing, storage, or communication device, or any related network, cloud service, operating system, or application software, that is connected to, or used in connection with, such computer, that is rented by, owned by, leased by, licensed to, or under the direct operational control of, the **Insured**.

5. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following replaces section III. **DEFINITIONS, C. Client:**

C. **Client** means an entity or natural person for which the **Insured** provides goods or performs services, for a fee, or as specified in a pre-existing written agreement, but only while the written agreement is in effect.

6. The following replaces section III. **DEFINITIONS, E. Computer Fraud:**

E. **Computer Fraud** means an intentional, unauthorized, and fraudulent entry or change of data or computer instructions directly into a **Computer System**:

1. by a natural person or entity, other than an **Employee, Authorized Person**, independent contractor, or any individual under the direct supervision of the **Insured**, including any such entry or change made via the internet, provided that such entry or change causes **Money, Securities, or Other Property** to be transferred, paid, or delivered from inside the **Premises** or from the **Insured's Financial Institution Premises**, to a place outside the **Premises** or the **Insured's Financial Institution Premises**; or
2. made by an **Employee** or **Authorized Person** acting in good faith upon an intentional, unauthorized, and fraudulent instruction received from a computer software contractor who has a written agreement with the **Insured** to design, implement, or service **Computer Programs** for a **Computer System** covered under section I. **INSURING AGREEMENTS, F. COMPUTER CRIME**.

For purposes of this definition, an intentional, unauthorized, and fraudulent entry or change of data or computer instructions does not include such entry or change made by an **Employee, Authorized Person**, independent contractor, or any individual under the direct supervision of the **Insured** made in reliance upon any fraudulent electronic, cable, teletype, telephonic voice, telefacsimile, or written instruction, except as defined in E.2. above. An intentional, unauthorized, and fraudulent entry or change of data or computer instructions also does not include such entry or change that involves the use, or purported use, of any **Credit, Debit, or Charge Card** or any access, convenience, identification, stored value, or other similar cards, including the information contained on such cards.

Computer Fraud does not include **Social Engineering Fraud** or **Funds Transfer Fraud**.

7. The following replaces section III. **DEFINITIONS, AA. Funds Transfer Fraud:**

AA. **Funds Transfer Fraud** means:

1. an electronic, telegraphic, cable, teletype, or telephone instruction, fraudulently transmitted to a **Financial Institution** directing such institution to debit a **Transfer Account** and to transfer, pay, or deliver **Money** or **Securities** from the **Transfer Account**, which instruction purports to have been transmitted by the **Insured** but was in fact fraudulently transmitted by someone other than the **Insured** without the **Insured's** knowledge or consent; or
2. a fraudulent written instruction, other than one covered under Insuring Agreement B., issued to a **Financial Institution** directing such **Financial Institution** to debit a **Transfer Account** and to transfer, pay, or deliver **Money** or **Securities** from such **Transfer Account** by use of an electronic funds transfer system at specified intervals or under specified conditions, which written instruction purports to have been issued by the **Insured** but was in fact fraudulently issued, **Forged**, or altered by someone other than the **Insured** without the **Insured's** knowledge or consent.

Funds Transfer Fraud does not include **Social Engineering Fraud**.

8. The following replaces section III. **DEFINITIONS, DD. Insured:**

DD. **Insured** means:

1. for the purposes of Insuring Agreement A.2. and the Social Engineering Fraud Insuring Agreement, any and all **Employee Benefit Plans**:
 - a. which have been established or maintained by an **Employee Benefit Plan Sponsor** as of the inception date of this **Crime Policy**; or
 - b. which have been created or acquired by an **Employee Benefit Plan Sponsor** after the inception date of this **Crime Policy**, subject to the provisions of General Agreements C. and D.
2. for the purposes of all Insuring Agreements, except Insuring Agreement A.2.:
 - a. the **First Named Insured**,
 - b. any **Subsidiary**,
 - c. any **Sponsored Plan**, or
 - d. any other entity listed in Item 1. of the Declarations.

9. The following replaces section **IV. EXCLUSIONS**, G., H., and R.:
- G. This **Crime Policy** will not apply to loss or damages resulting directly or indirectly from the input of **Electronic Data** by a natural person having the authority to enter the **Computer System**, unless covered under Insuring Agreements A.1., A.2., A.3., F1., but only when covered under section III. DEFINITIONS, E., **Computer Fraud**, 2., F.2., G., or the Social Engineering Fraud Insuring Agreement.
- H. This **Crime Policy** will not apply to loss resulting from forged, altered, or fraudulent negotiable instruments, securities, documents, or instructions used as source documentation to enter **Electronic Data** or send instructions, provided this does not apply to Insuring Agreements A.1., A.2., A.3., or the Social Engineering Fraud Insuring Agreement.
- R. This **Crime Policy** will not apply to loss resulting directly or indirectly from:
1. the giving or surrendering of **Money, Securities** or **Other Property** in any exchange or purchase, whether genuine or fictitious; or
 2. any other giving or surrendering of, or voluntary parting with, **Money, Securities** or **Other Property**, whether or not induced by any dishonest or fraudulent act, except when covered under:
 - a. Insuring Agreement A.;
 - b. Insuring Agreement E.;
 - c. Insuring Agreement F1., or
 - d. the Social Engineering Fraud Insuring Agreement.
10. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following replaces section **IV. EXCLUSIONS**, T.:
- T. This **Crime Policy** will not apply to loss of **Money, Securities** or **Other Property**:
1. while in the mail; or
 2. while in the custody of any messenger, carrier for hire, or armored motor vehicle company.
11. Solely with respect to the Social Engineering Fraud Insuring Agreement, the following are added to section **IV. EXCLUSIONS**:
- This **Crime Policy** will not apply to:
- a. loss or damage due to **Theft** by an **Employee, Forgery, Computer Fraud, Funds Transfer Fraud**, or acceptance of money orders or **Counterfeit Money**;
 - b. loss due to any investment in **Securities**, or ownership in any corporation, partnership, real property, or similar instrument, whether or not such investment is genuine;
 - c. loss due to the failure, malfunction, illegitimacy, inappropriateness, or inadequacy of any product or service;
 - d. loss resulting directly or indirectly from the failure of any party to perform in whole or in part under any contract;
 - e. loss due to any non-payment of or default upon any loan, extension of credit, or similar promise to pay;
 - f. loss due to any party's use of or acceptance of any **Credit, Debit or Charge Card** or any access, convenience, identification, stored value or other similar card or instrument, including the information contained on such cards, whether or not genuine; or
 - g. loss due to items of deposit which are not finally paid for any reason, including forgery or any other fraud; however, this exclusion does not apply to United States Government checks or drafts that are returned by the United States Government for any reason after the funds for said checks or drafts have been credited to the **Insured's** account at a **Financial Institution**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

DELETE EXCLUSION FOR PRIOR LOSSES INVOLVING SUBSIDIARIES ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

Section **IV. EXCLUSIONS**, BB. is deleted.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

INCLUDE DESIGNATED PROPERTY MANAGERS AS EMPLOYEES ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

1. The following is added to section **III. DEFINITIONS, S. Employee:**

Employee also includes each natural person, partnership or corporation that:

1. the **Insured** appoints in a written agreement to act as the **Insured's** property manager;
2. is shown in the schedule below; and
3. is subject to the **Insured's** direction and control while performing services for the **Insured**,

but only while such person, partnership or corporation (hereafter "Designated Property Manager") is acting on the **Insured's** behalf and while in possession of the **Money, Securities and Other Property**.

Employee also includes any natural person, partnership or corporation previously appointed in a written agreement to act as the **Insured's** property manager, but only for acts committed while performing such services for the **Insured** that are **Discovered** during the current **Policy Period**.

Each such Designated Property Manager, including the natural person, partners, officers and employees of that Designated Property Manager, are considered to be, collectively, one **Employee** for the purposes of this insurance; except with respect to section V. CONDITIONS, D. CANCELLATION OR TERMINATION, Paragraph 4.

2. The following replaces the last sentence of section **III. DEFINITIONS, S. Employee:**

Employee does not mean any agent, broker, factor, commission merchant, consignee, independent contractor or representative or other person of the same general character not specified in paragraphs 1. through 5. above or in the schedule set forth in this Include Designated Property Managers as Employees Endorsement.

3. The most the Company will pay under this **Crime Policy** for **Theft** committed by a Designated Property Manager included as an **Employee** by this endorsement is the Single Loss Limit of Insurance shown in the schedule below. Such Single Loss Limit of Insurance is part of, not in addition to, the Single Loss Limit of Insurance shown in the Declarations as applicable to Insuring Agreement, A. FIDELITY, 1. Employee Theft.
4. The Company will not pay the **Insured** for any **Single Loss** caused by a Designated Property Manager included as an **Employee** by this endorsement unless the amount of such **Single Loss** exceeds the Single Loss Retention shown in the schedule below.
5. If ITEM 5 of the Crime Declarations indicates that this **Crime Policy** includes a Policy Aggregate Limit of Insurance, then section V. CONDITIONS, B. PROVISIONS AFFECTING LOSS ADJUSTMENT AND SETTLEMENT, 1. Limit of Insurance, a. Policy Aggregate Limit of Insurance, applies to this endorsement and any payment under this **Crime Policy** for loss caused by a Designated Property Manager included as an **Employee** by this endorsement will reduce, and may exhaust, the Aggregate Limit of Insurance by the amount of such payment.

Including any natural person, partnership, or corporation, other than specifically designated in the schedule below, which the **Insured** appoints in writing after the effective date of this endorsement to act as a Designated Property Manager, provided:

1. that coverage for any Designated Property Manager appointed in writing subsequent to the effective date of this endorsement will only be afforded for loss directly caused by such Designated Property Manager and sustained by the **Insured** on or after the date the new Designated Property Manager was appointed;

2. the loss is **Discovered** by the **Insured** during the **Policy Period** or Extended Period to Discover Loss pursuant to the terms set forth in section V. CONDITIONS, A. GENERAL CONDITIONS, 3. Extended Period to Discover Loss; and
3. the Single Loss Limit of Insurance and the Single Loss Retention amounts applicable to any Designated Property Manager appointed in writing subsequent to the effective date of this endorsement are the highest such values shown in the schedule below, respectively.

SCHEDULE

<u>Designated Property Manager</u>	<u>Single Loss Limit of Insurance</u>	<u>Single Loss Retention</u>
Boulder Mountain Property Management	\$100,000	\$1,000

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

AMENDATORY ENDORSEMENT FOR CERTAIN ERISA CONSIDERATIONS

This endorsement changes the following:

Crime

It is agreed that:

1. The following replaces section **I. INSURING AGREEMENTS**, A.2. ERISA Fidelity:
2. ERISA Fidelity

The Company will pay the **Insured** for direct loss of, or direct loss from damage to, **Money, Securities** and **Other Property** that belongs to an **Employee Benefit Plan**, directly caused by acts of **Fraud or Dishonesty** committed by a **Fiduciary**, whether identified or not, acting alone or in collusion with other persons.

2. The following is added to section **III. DEFINITIONS**:

Fraud or Dishonesty has the meaning set forth in Title 29, Code of Federal Regulations, Section 2580.412-9.

Handled or Handling means "handle", "handled", "handles" or "handling" as these terms are set forth in Title 29, Code of Federal Regulations, Section 2580.412-6.

3. The following replaces section **III. DEFINITIONS**, V.

V. **Fiduciary** means:

1. any natural person who is a trustee, officer, **Employee**, or an administrator, of any **Employee Benefit Plan**; or
2. any natural person who is a member of the board of directors, member of the board of trustees, a partner, an **LLC Manager**, an **LLC Member**, an **Officer-Shareholder**, an officer, or an **Employee**, of any **Employee Benefit Plan Sponsor**; while that person is **Handling Money, Securities**, or **Other Property** that belongs to an **Employee Benefit Plan**.

Fiduciary does not mean any agent, broker, independent contractor, third party administrator, broker-dealer, registered representative, investment advisor, custodian, or other person or entity of the same general character.

4. The following replaces section **IV. EXCLUSIONS**, M. and Z.:

M. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Theft**, disappearance, damage, destruction, or disclosure of any intangible property or confidential information, including:

1. trade secret information, confidential processing methods, or other confidential information or intellectual property of any kind, or **Electronic Data**, unless otherwise covered under Insuring Agreement F.2.; or
2. **Computer Programs**,

provided that this exclusion will not apply if intangible property or confidential information is used to facilitate a loss that is otherwise covered by this **Crime Policy**.

Z. This **Crime Policy** will not apply to loss resulting directly or indirectly from the diminution in value of **Money, Securities**, or **Other Property**, provided that this exclusion will not apply to loss that is otherwise covered under Insuring Agreement A.2. ERISA Fidelity caused by a **Fiduciary's** acts of **Fraud or Dishonesty**.

5. The following replaces section **V. CONDITIONS**, A. **GENERAL CONDITIONS**, 3. Extended Period to Discover Loss:

3. Extended Period to Discover Loss

The Company will pay the **Insured** for loss that the **Insured** sustained prior to the effective date of cancellation or termination of this **Crime Policy**, which is **Discovered** by the **Insured**:

- a. no later than 90 days from the date of cancellation or termination; and

b. as respects any **Employee Benefit Plan**, no later than one year from the date of cancellation or termination.

Notwithstanding the above, with respect to all Insuring Agreements other than Insuring Agreement A.2. ERISA Fidelity, this extended period to **Discover** loss terminates immediately upon the effective date of any other insurance obtained by the **Insured** replacing in whole or in part the insurance afforded by this **Crime Policy**. With respect to Insuring Agreement A.2. ERISA Fidelity, the extended period to Discover Loss terminates upon the effective date of any other insurance obtained by the **Employee Benefit Plan Sponsor** or the **Employee Benefit Plan** that offers the same coverage afforded by this **Crime Policy** in an amount no less than the minimum amount required under ERISA section 412 and that provides coverage for loss sustained prior to its effective date.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

REPLACE INTANGIBLE PROPERTY AND CONFIDENTIAL INFORMATION EXCLUSION ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

The following replaces section **IV. EXCLUSIONS**, M.:

- M. This **Crime Policy** will not apply to loss resulting directly or indirectly from any **Theft**, disappearance, damage, destruction, or disclosure of any intangible property or confidential information, including:
1. trade secret information, confidential processing methods, or other confidential information or intellectual property of any kind, or **Electronic Data**, unless otherwise covered under Insuring Agreement F.2.; or
 2. **Computer Programs**,

provided that this exclusion will not apply if intangible property or confidential information is used to facilitate a loss that is otherwise covered by this **Crime Policy**.

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPLACE FORGERY OR ALTERATION EXCLUSION ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

For all section **I. INSURING AGREEMENTS** other than Social Engineering Fraud, the following replaces section **IV. EXCLUSIONS**, W.:

W. This **Crime Policy** will not apply to loss resulting directly or indirectly from **Forgery** or alteration, except when covered under Insuring Agreements A.1., A.2., A.3., B., G., or H..

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**CHANGE DEFINITION OF EMPLOYEE TO INCLUDE INDIVIDUALS ENGAGED BY A PROFESSIONAL
EMPLOYER ORGANIZATION ENDORSEMENT**

This endorsement changes the following:

Crime

It is agreed that:

The following replaces section **III. DEFINITIONS, S. Employee**, 1.b:

1. any natural person:
 - b. who the **Insured** compensates directly by salary, wages, or commissions, or who is engaged pursuant to a services agreement with a professional employer organization; and
-

Nothing herein contained shall be held to vary, alter, waive, or extend any of the terms, conditions, exclusions, or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

EXCLUDE CURRENCY OR COIN RENT PAYMENTS ENDORSEMENT

This endorsement modifies the following coverage:

Crime

It is agreed that:

Solely with respect to the coverage shown above, this **Crime Policy** does not cover loss involving currency or coin received for payment of rents.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**
Policy Number: **107218658**

IDAHO CANCELLATION OR TERMINATION ENDORSEMENT

This endorsement changes the following:

Crime

It is agreed that:

1. The following replaces section **V., CONDITIONS, D.2.:**

2. The Company may cancel:
- this **Crime Policy** in its entirety;
 - an Insuring Agreement; or
 - coverage for any **Insured**;

by mailing or delivering to the **First Named Insured** written notice of cancellation at least **20** days (number of days must equal or exceed 20 days) before the effective date of cancellation if the Company cancels for nonpayment of premium; or **60** days (number of days must equal or exceed 60 days) before the effective date of cancellation if the Company cancels for any reason scheduled below. The Company may cancel for any of the following reasons:

- nonpayment of premium,
- fraud or material misrepresentation,
- activities or omissions by the **Insured** which increase hazards,
- change in risks which may increase loss,
- loss or decrease of the Company's reinsurance,
- continuation of the policy would place the Company in violation of the insurance laws,
- violation or breach of policy terms by the **Insured**

The Company will mail or deliver the Company's notice to the **First Named Insured's** last mailing address known to the Company. Notice of cancellation will state the effective date of cancellation and the **Policy Period** will end on that date. If this **Crime Policy** or an Insuring Agreement is cancelled, the Company will send the **First Named Insured** any premium refund due, computed on a pro-rata basis. The cancellation will be effective even if the Company has not made or offered a refund. If notice is mailed, proof of mailing will be sufficient proof of notice.

2. The following is added to section **V., CONDITIONS, D. CANCELLATION OR TERMINATION:**

5. The Company will not be required to renew this **Liability Policy** upon its expiration. If the Company elects not to renew, the Company will provide to the **First Named Insured** written notice to that effect **45** days (number of days must equal or exceed 45 days) before the Expiration Date set forth in ITEM 2 of the Declarations.

Nothing herein contained shall be held to vary, alter, waive or extend any of the terms, conditions, exclusions or limitations of the above-mentioned policy, except as expressly stated herein. This endorsement is part of such policy and incorporated therein.

Issuing Company: **Travelers Casualty and Surety Company of America**

Policy Number: **107218658**



**PO Box 2950
Hartford, CT 06104-2950**

December 2, 2025

VAL D'SOL HOME OWNERS ASSOC
PO BOX 826
C/O Boulder Mountain Property Management
KETCHUM, ID 83340

Re: Important Information about **Claims Information Line**

Dear VAL D'SOL HOME OWNERS ASSOC

Travelers Bond & Specialty Insurance is pleased to announce its **1-800-842-8496** Claims Information Line. This line is designed to provide insureds with an additional resource on how to report claims or those circumstances or events which may become claims.

Policyholders will be able to obtain assistance on the following topics from the Claims Information Line:

- The information that needs to be included with the claim notice
- The address, electronic mail address and/or facsimile number to which the policyholder can send claims related information
- Get questions on the claim process answered

The Declarations Page of your policy sets forth where you should report claims and claims related information. You should also review the policy's reporting requirements to be aware of how much time you have to report a claim to Travelers. The sooner Travelers is notified, the sooner we can become involved in the process and offer assistance to our policyholder. A delay in reporting may result in all or part of a matter to fall outside of the coverage provided.

The Claims Information Line should streamline the claim reporting process and allow policyholders to ask questions on what information is needed as well as other questions which will assist them in working with Travelers. While the Claims Information Line provides policyholders a valuable resource by answering questions and providing information, the line does not replace the reporting requirements contained in the Policy.

We hope this improvement to customer service is something our policyholders will find helps them understand the claim process and provides them a resource for reporting.



Risk Management Plus+ Online[®]

BOND & SPECIALTY INSURANCE

As a Travelers Bond & Specialty Insurance policyholder you receive access to risk management services, **at no additional cost**, to help protect you and your business. *Risk Management Plus+ Online* is a robust website designed to assist you in the mitigation of risk. Purchase of any coverage below offers access to the entire library of tools.



Employment Practices
Liability



Private Directors &
Officers Liability



Nonprofit Directors &
Officers Liability



Fiduciary Liability



Crime



Kidnap & Ransom



ID Fraud

Risk Management Plus+ Online offers resources that policyholders can use to help prepare and protect their organizations against a wide range of exposures, including:

- ▶ How organizations can mitigate employment-related exposures from their employees and/or volunteers.
 - ▶ Helpline – toll-free hotline designed to provide quick, practical guidance on day-to-day workplace issues.*
 - ▶ Training modules – an extensive library, including state-specific harassment training modules.
 - ▶ Sample manuals – sample handbooks with recommended policies and procedures.
- ▶ Understanding obligations of a board member and what they can do to reduce the likelihood of a lawsuit.
- ▶ Understanding 401(k), 403(b) and defined benefit plan litigation trends, who is exposed and how to mitigate exposure.
- ▶ Steps to protect your personal information.
- ▶ Tips for segregating duties to avoid a crime loss.
- ▶ Tips to consider before traveling to mitigate the risk of kidnapping.

To register:

1. Go to rmplusonline.com.
2. In the sign-in box, click Register.
3. Enter the password/passcode: TRVP120000
4. Fill in the registration information and click Submit.
5. Your organization is registered, and you are registered as Site Administrator for your organization.

Once registered, you may add other site administrators.

For more information, call 888.712.7667 and ask for your Risk Management Plus+ Online representative.

*Assistance is not intended to replace your company's need to hire employment counsel to assist in making specific personnel decisions and in implementing policies and procedures. Assistance provided exclusively to EPL policyholders.

travelers.com

Travelers Casualty and Surety Company of America and its property casualty affiliates. One Tower Square, Hartford, CT 06183

This material does not amend, or otherwise affect, the provisions or coverages of any insurance policy or bond issued by Travelers. It is not a representation that coverage does or does not exist for any particular claim or loss under any such policy or bond. Coverage depends on the facts and circumstances involved in the claim or loss, all applicable policy or bond provisions, and any applicable law. Availability of coverage referenced in this document can depend on underwriting qualifications and state regulations.

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This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Idaho Insurer And Insurance Department Contact Information Notice

For information about this policy, contact the insurance agent or broker listed in the policy. If additional information is needed, contact Travelers at the following address:

**Travelers
P.O. Box 2950
Hartford, Connecticut 06104-2950**

Or call Travelers at 800.328.2189

If there is an issue or complaint that Travelers has not satisfactorily resolved, the Idaho Department of Insurance can be contacted at the following address:

**Idaho Insurance Department
700 West State Street, 3rd Floor
PO Box 83720
Boise, Idaho 83720**

**Or call the insurance department at 800.721.3272, or 208.334.4250
Or visit the insurance department's website at www.doi.idaho.gov**

This notice provides no coverage, nor does it change any policy terms. To determine the scope of coverage and the insured's rights and duties under the policy, read the entire policy carefully. For more information about the content of this notice, the insured should contact their agent or broker. If there is any conflict between the policy and this notice, the terms of the policy prevail.

Independent Agent And Broker Compensation Notice

For information on how Travelers compensates independent agents, brokers, or other insurance producers, please visit this website: www.travelers.com/w3c/legal/Producer_Compensation_Disclosure.html.

Or write:

**Travelers, Agency Compensation
One Tower Square
Hartford, CT 06183**